Monday May 17 1976

YEARELL SHT THE UNIVERSITY OF JORGAN



for CONSTRUCTION

# E COOPINERAL

## Cehran treet ighting:

5 die and many hombs and nades.

O'ACCUM GENERATORS may policy from August.

The loss-making AEI Scientific to the Corm.

The lines of change proposed: This week sees the CRI very had to continue justifying individual and all price rises to the Price to the include and proposition to the Corm.

The lines of change proposed: This week sees the CRI very had to continue justifying individual and all price rises to the Price to loss of the first proposition to include raising the investment test under the specific on proposition to include raising the investment test under the house of the continue grains the seed and proposition of the proposition of the productivity of the proposition of the proposition

Ar. Edouard Saab. 46, editor improvements in the monitoring industry chief of the Lebanese French gliage daily newspaper. Irient-Le Jour, was shot dead a singer as he was crossing a singer as he was crossing the control of the cont a supper as he was crossing trut by car from the Christian the Moslem zone. Mr. Henry for New York nner, an American correspontion of the New York Times, was ured. Latest Lehanon truce taks down. Page 5

\*\*New York City will need to make greater financial sacrifices than it has so far to avoid bankruptcy in 1978, according to a Senate Banking Committee tenant.

## sians fly in

## tente

sonic passencer services, company's listing, Back Page

#### BUSINESS

## Rival bid possible for AEI **Scientific**

• VACUUM GENERATORS may attempt to arquire part of the loss-making AEI Scientific

ded at Beirut international thorough analysis of the cost of ship onet rises the PO's individual services and able cost rises.

your Goan Asians, who had proved in April to Fradem, a expelled by Malawi, arrived (ESSM), nearly Fra.500m. less

British Airways and Air few days to clarify the events ce launch transatlantic leading to the suspension of the

British aircraft will land SOUND AND VISION 1976 it the National Exhibition Centre near Birmingham at the end of May is expected to attract
Alec Jones, Weish Office more than 100,000 people.

Alec Jones. Welsh Office
-reservelary, is said to have
onded to treatment in
it al after collapsing in Swar
is survey.

I. B. S. Dimks. Leader of
it is recent attempted coup.
It is from the Export
is recent attempted coup.
In the commissioner
- police Commissioner ON OTHER PAGES

ments Advt. ANNUAL STATEMENTS The Technical Page INTERIM STATEMENTS

For latest Share\_Index phone 01-246 8026

# CBI may be given Callaghan Israelis quell revised Price Code engineers plans this week

By ELINOR GOODMAN & ADRIAN HAMILTON

The Government is expected early this week to give the CBI its proposals for changing the Price Code in the next round of counter-inflation; policy from August.

t shell landed. The second there is shell landed. The second there have been indications that if it is to persuade its members there have been indications that if it is to persuade its members there have been indications that if it is to persuade its members there is some definitive indication of the changes it was considering if heaviest artillery duels of cations should be separated, have to justify in advance price they ment would have to give them they reductantly accept the Government's refusal to end the framework laid down by the some definitive indication of the changes it was considering if have to justify in advance price. Last month CBI members they were to quell feelings among them. The second there have been indications that if it is to persuade its members and they representatives said, the Government to consider negotiating within they reluctantly accept the Government of the representatives and they reluctantly accept the Government of the representatives and they reluctantly accept the Government of the representatives and they reluctantly accept the Government of the representatives and they reluctantly accept the Government's refusal to end the framework laid down by the changes it was considering if they are to justify in advance price. Last month CBI members they were to quell feelings among them.

under the code as the price of ceilings. tits support for the counter-infla- This would have meant that Continued on back page toon policy.

This would have meant that Continued on back page too policy.

increases on the basis of allowance price approved proposals for radically some members that the Conable cost rises.

But grass roots feeling in industry on the issue is strong and the CBI will clearly have to look for some dramatic changes the CBI wanted future controls in allowances and safeguards based purely on modified margin. in allowances and safeguards based purely on modified margin

well adapted to the system of

# Leyland half-year figures likely to be on target

n expelled by Malawi, arrived (138m), nearly 1830an, less latingly arrived (138m), nearly 1830an, less latingly arrived (138m), nearly 1830an, less latingly latingly in February. Main cause tish passport holders, they was 1830an, less to allowed in onler Britain. 5 per cent, than in imports, at 2.6 per cent, than in imports, at 3 per cent, than in imports, at 4 per cent, than in

Hiberate Rees

In a volont week-des

In a vo

Bates statement

| tente | Cordiale |
| Sh and French Concorde aft will land within minutes ach other and taxi into a series of urgent talks with tonose meeting at Washing Dulles airport to-day week make a statement in the pext of British Airways and Air few days to clarify the events

| Technical and recently enabled the company to Government loan finance immedant and finance immedants of the promised Scientific. Technical and Managerial Staffs, are refusing to supervise week-end overtime announce a recovery to break-dately. Managerial Staffs, are refusing announce a recovery to break-dately. Managerial Staffs, are refusing announce a recovery to break-dately. Managerial Staffs, are refusing announce a recovery to break-dately. Managerial Staffs, are refusing announce a recovery to break-dately. Managerial Staffs, are refusing announce a recovery to break-dately. Managerial Staffs, are refusing announce a recovery to break-dately. Managerial Staffs, are refusing announce a recovery to break-dately. Managerial Staffs, are refusing announce a recovery to break-dately. Managerial Staffs, are refusing announce a recovery to break-dately.

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## U.K. company to build \$500m. aluminium smelter in Dubai

operation, annual production will to play an important role in the Dubal will be the second be about 135,000 tons. Provision Saudi £142bn, five-year economic smelter in the lower Gulf— has been made for this to be development plan.

Aluminium Bahrain is already increased to 180,000 tons a year. The ore evaluation contract in operation.

Dubal's smelter has committed had been won in the face of The final documents were its production in advance to avoid competition from the French.

The final documents were its production in advance to avoid competition from the French, signed to-day by Sheikh Rashid, excessive stockpiling at a time of Canadian and U.S. steel industriant the Ruler of Dubai, and his son, depressed demand. The South tries, BSC said last night the Sheikh Hamdan Bin Rashid al wire Corporation and Nissho Provided the ore is of Maktoum who is Dubai's chair- lwai, which both have contracts sufficiently high quality, it could man and the UAE Minister of for 12 years, will be buying on a provide Britain with a new long-finance.

Mr. Paul Brauner, BSCL's cent of the smelter's production the ore used in U.K. steelworks chairman, said at the signing is to go for local consumption, comes from abroad, principally ceremony, that about £120m, of and only two weeks ago contracts Brazil. Canada, Australia, and the equipment would come from were staned for the construction Sweden, because indigenous Britain; providing that U.K. of an extrusion plant.

The smelter is to use dry gas tent.

# to address on pay

THE CAMPAIGN to win the biggest possible tote of conindependent of the second phase of incomes policy from the special TUC congress on June 16 will this week be carried by the Prime Minister to the policy-making national committee of the Amalgamated Union of Engineering Workers. The 52-man AUEW national committee meets in Searborough to-day with an overwhelming number of resolu-tions condemning wage restraint on the agenda. Mr. Cal-laghan will address members on Wednesday. Earlier on the same day, the Prime Minister

is due to address the conference of the Inland Revenue
Staff Pederation.

His decision to address the engineering workers was made in the past few days.

If the national committee debates wages policy it will be for the standing orders

committee to recommend whether to hold the debate before or after the Prime Minister speaks. In December. meeting of the AUEW national committee reversed last Scptember's decision to oppose the Government's pay policy and instructed the executive

to support the £6 limit.
In the sharply politically-divided AUEW, however, no

present policy.

Before the June 16 congress,

# riots after death of girl

BY OUR FOREIGN STAFF

Mr. Suleiman Nabulsi, brings to hundreds of stone throwing seven the number of Arabs killed youths in the old city of Nablus during three months of clashes. The two youths were wounded in the occupied Jordanian revolutes by guinfire when they and ritory. In addition, six Israeli other Arabs protested outside Arabs have died in protests the home of the dead girl against Government plans to Israeli authorities claim the girl requisition Arab land in the was shot by accident. Local Galilee area.

#### Reports

the occupied territories among an unauthorised settlement at ober issues—may bring the nearby Kadum by a number of Israeli Government down. The Jews who are claiming the right influential Tel Aviv newspaper to live anywhere on the West Ha'aretz said that Mr. Rabin has Bank. A week ago the Israeli now decided to remove Mr. Government said they would Peres, who has taken a hard line eventually have to move but the on the settlement question.

The rivalry between the two men dates back to 1974 when Mr. Peres ran Mr. Rabin a ciose tote can be predicted with second in the nomination for the confidence. The situation is Premiership and recently came could normally he regarded as of trying to expand his power between residents and Israeli certain supporters of the and to have called for Mr. soldiers

Government-IUC line, about Rabin's resignation. "The in Jerusalem, police supports

the Prime Minister will also speak in support of the pay council of Nahlus sent a cable wounds suffered in a blast set policy at conferences of the U.N. Secretary General off by Arab guerillas in the Union of Post Office Workers, the Bollermakers' Amalgamation and the General and occupied areas and calling for dead two weeks ago, police Mandeigal Workers. a U.N. commission of inquiry reported

TENSION was running high on to visit the area. Then cable the West Bank last night after a said the latest Israelt actions teenage Arah girl was shot dead were a breach of The Hague and

Iresh rioting there against the The Arab 2011 deed of two bullet wounds after being chased into an aparlment block by one old Lina Nabulsi, a relative of of the soldiers who was trying former Jordanian Prime Minister to quell demonstrations by Mr. Suleiman Vabulsi brings to bundreds at stone throwing

Later crowds of Arab vonths built barri ades and started fireas the cirl's funeral was held. The rising death toll coincides with reports that the rift between Prime Minister Yitzhak Rabin and Defence Minister Shimon Peres—over Jewish settlement in the occupied territories among a magnification of the property of the results of the ready, while hundreds of demonstrators shouted slogans and waved Palestinian flags. Local resentment against the occupied territories among a magnification of the ready.

## Ketugees

Nablus, a city of 80,000 people aggravated by the growing to a head at a party leadership including 20,000 refugees at a concern of some moderate meeting. Mr. Peres is said to camp, recently came under a committee members, who have accused the Prime Minister five-day curfew after clashes

the erosion of skilled engineer-struggle must end with the re-uncovered a time bonic in the ing workers pay differentials moval of Mr. Peres or the resig-Mahane Yehuda market place which is taking place under the institut of Mr. Rabin as Prime and detonated it harmlessiy in Minister." Ha aretz said yester- an empty lot a half-mile away. Meanwhile.

## Tory threat to devolution Bill

BY RAY PERMAN

# The merger of the year

A heavy-duty add-lister. With a full-function calculator.

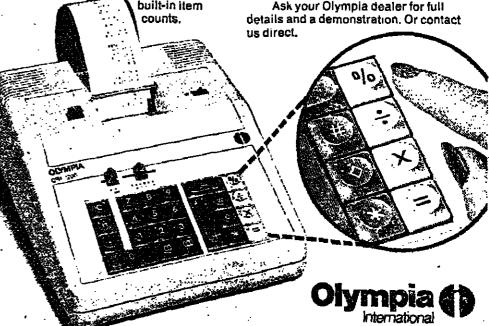
More versatile—and more productive!

It's Olympia's new electronic calculating add-lister—the CPA 1200.

Now your operator can do multiplication and division as well as pluses and minuses. In any combination, with subtotal storage. Percentages, markups and discounts. Constant factor calculations. Simple and compound interest. Averages and means, with

Progressions and powers. Invoicing and currency conversions. All to twelve digits, with fully-floating decimal.

Other CPA 1200 features include a heavy-duty keyboard and Olympia's own fully-proven printing system. Buffer store for high-speed keying. Fully identified entries, with minuses in red. Multi-zero and non-add keys.



Better Business Machines Clympia Business Machines Limited, 203, 205 Old Marylebone Road, London NW 1 5QS. Telephone: 01-262 6788,

SCOTLAND captured the Triple and Dalglish—well served by hardly bave galued a place Crown at Hampden Park on Sat Masson and Gemmilt—were con purely on football ability, urday, when they deservedly best stantly setting problems for To litustrate Revie's difficulty urday, when they deservedly best stantly setting promons to.

England 2-1 in a match revealing England's unconvincing rear still further, consider the four strikers in the present squad-

Although an uncharacteristic After the interval. Cherry, Fearson, Channon, Royle and blunder by Clemence, England's normally a full-back, substituted Keegan, Their effectiveness at

goalkeeper, was responsible for for the injured Pearson, and club level owes much to the the deciding goal, the Scots played in central midfield tactics employed, which all vary, created the best chances and keegan was pushed upfront

Masson equalised with a beader is a very different matter. those under his command. He straight from a corner. Although For example, Nobby Stiles, clearly needs a left-footed bat he did not have much to do the who became such an integral player in inidifield, in the Scottish keeper, Rough, looked part of the English side which Gemmill mould, and Bell is sadishaky. At the other end, Jordan won the World Cup, would missed.

Fibak profits from early attack

WOJTEK FIBAK, a 23-year-old line artistry, the young Pole's Fibak has won £28,000, and law student from Poznan, won early-ball affacking play was although the lack of opportunity the Coca-Cola hard court cham impossible to contain. This for grass court practice will

probably should have had a ziongside Channon and the disap. Assets

BY TREVOR BALLEY

Peurson, who spends more

time facing his own goal than

most centre-forwards, is quick most centre-torway, skilful, and exceptionally good skilful, and exceptionally good skilful. To

## Productivity—the global impasse

BY C. GORDON TETHER

THE URGENT plea from Com- means an equivalent multiplicasave them from extinction at drive to turn the tables-some the hands of formidable Japanese thing afflicted countries may no competition rings round a ques- be able to cope with. tion to which the whole world is And, beyond that, there is the going to have to devote a great big question of whether there deal of attention—if that is, interior more to life than constantly national economic warfare is to devoting enormous amounts of be prevented from assuming capital and effort to trying to devastating proportions in the out-class other countries in the years ahead. What, it asks, is to productivity stakes—only to disbe done to establish and mainbe done to establish and main-cover that your success has tain a reasonably fair distribu-stung them into organising a tion of opportunities to work in major counter-attack nimed at face of the disruptive impact of re-establishing their earlier lead. pective purchaser. more or less irreconcilable differences in countries' producnivity performances.

What the European bearings A certain amount of relief can answer to a problem that must makers are saying—and this in- be obtained from the threat have cropped up literally ordinary way—is that they are judge by the fact that the vacillated about where the loss being hopelessly out-classed by European countries that have should fall — mostly they have the Japanese. This, they point heavily devalued their curren-out, not only poses a threat to cles in relation to the Japanese oil, not only poses a threat to cles in relation to the Japanese chaser, wow at last the should be involved last in many European jobs; it also yen of late are associated with means that highly strategic indust the grumbling about Japan's to rule authoritatively and Normally the practice of using the drift. fries are in mortal danger, every-competition excesses in the bear-thing that moves mechanically ings field. And, in any case, being dependent on bearings.

#### Cold water

isolated case of such a challenge attracted a good deal of supporting thrown down by Japan rests on the proposition that, or some other country. There rather than engage in a hopeless was a report in the Financial fight to save industries that are Times last week about leading dever going to be sole to match motor industry economists from Eurofinance—the Paris-based research organisation - having concentrate on the creation of thrown cold water on current new industries. The fashionable in the course of their decision times of acute housing shortage market. It would be intolerable talk about a revital in the preference is for high tech-how misleading nomenclature purchasers thrust their money of the fashionable in the European motor car industry, nology ones. Their main reason for doing so But this is not the complete was: the belief that Western and simple panacea that poli-European manufacturers are tou ticians and small to stand up to the major calling for industrial renaissance competition from elsewhere—in seem to take it for granted that this case from Japan and it is. It is the case, after all, that

main viable and stable, they in a hurry is not so large that claimed, if organised into no there is a good chance of their more than three closely inte- absorbing all the workers thrown

putting forward the time-remembered, are often very spar-honoured remedy for incon-ing in the use of labour, veniently successful foreign Moreover, competition in these competition-fight back with all new fields from foreign producyour might through rationalisa tivity success stories can be just tion, modernisation and so forth as deadly as in the more tradiand, in due course, the boot will tional sectors, It is in respect of be on the other foot, with the some of these "new lines" that foreigner begging for mercy. Japanese competition has been Yet the reality is that this is most deadly.

an answer that no longer looks as

It looks, therefore, as though
beyond question as its remain the world has got to do some

TV/Radio

BBC 1

7.05-7.55 a.m. Open University
(UHF only). 9.38 For Schools, ColAll Regions as BBC-1 except

Regional News (except London). A Question of Sport. 11.40 News 4.00 Play School. 4.25 Boris the and Weather for Wales.

Pay School. 4.25 Bolts the and Weather for Wales.

80ld. 4.30 Jackanory. 4.45 Blue Scotland. 5.00-7.00 p.m. Reporting Scotland. 11.05-11.40 Public Account. 11.40 News Summary and Weather for Scotland.

F.T. CROSSWORD PUZZLE No. 3,081

1 Request certain to produce 1 "Full many a gem of delight (8) ray screne" (Gray) (6) 5 Fringe (avourité round a tree 2 Festival discovered in Pacific

With - violence about a 3 Sarah gets on by way of the

for judge (6)
14 Analysed—but it will not sena (8)

23 Lady of the house or the 16 A fellow is in the border for

work (6, 4)
18 Rank sounding like a Socialist 13 Unsuited submarine householder (10)

22 Prepares for opportunity in 15 The addient boast

island (6)

sage (6)

sena (8)

solvent (6)

4 Are truants upset in the cafe? (10)

6 There is nothing French in

national standard (3, 5)

an ethical doctrine (8)

start on a hill (S)

suet mix for the hungry (8)

. † Indicates programmes in black and white

6.00 Nationwide 7.00 A Question of Sport 7.25 Star Trek

ACROSS

pendent world" (M for M)

return from the playwright

with names of winners next Saturday.

12 The Yard turns to a good man

A county carriage (6) 11 She gets the lowest part in

other woman (8)

8.10 Spirit of 76

#### Not so simple

business leaders the number of high technology Our industries could only re- industries that can be developed out of employment by the run-In saying this, these motor ning down of doomed industries, industry pundits were, of course, The newcomers, it should be

ing devotees evidently assume entirely new thinking if it is to it to be. For one thing, there is a turning out to be a menace marked tendency for the number rather than the aid to mankind of industries that are under that they should be. And it threat at any one time from all obviously must not stop short of -but invincible foreign competi- being prepared to sacrifice some tion of the kind the Japanese of the sacred cows of interpearing industry has unleashed national collaboration — devein Europe to increase. Which loped up till now.

leges. 10.45 You and Me. 11.00 the following times:—

News. 1.00 Pebble Mill. 1.45

Barnaby. 2.01 For Schools, Colleges. 7.20-7.45

BBC 2

BBC 2

Northern Ireland—3.58-4.00 p.m. Northern Ireland News. 6.00-7.00

Scene Around Six. 11.40 News Headlines and Weather for Northern Irek nd.

THE WEEK IN THE COURTS

## Houseowner not liable for estate agent's deposits

reach the stage of contract. The deposit cannot be recovered from the estate agent because he has become bankrupt or has decamped with the money. Is the seller of the property liable to repay the deposit to the property liable to repay the deposit to the property purchaser."

he has neither actual nor osicn-hands of all the leading estate however, that they were an out of position, foun and in the skilful, and exceptionally good exceptional international side. Form this that they were an out of position, foun and in the skilful, and exceptionally good exceptional international side. Form that they were an out of position, foun and in the skilful, and exceptionally good exceptional international side. Form that they were an out of position, foun and in the skilful, and exceptionally good exceptional international side. Form the form that they were an out of position, foun and in the skilful, and exceptionally good exceptional international side. Form the form that they were an out of position, foun and in the pask of the skilful, and exceptionally good exceptional international side. Form the form that they were an out of position, foun and in the back in the position, foun and in the back in the position, foun in the back in the position, found in the back in the position, found in the back in the position, found in the back in

decided in favour of the purdecided in layour of the pur-chaser. Now at last the House of agents rather than to solicitors backed by a compensation fund the proportion who would be involved later in of the Law Society. clearly, sweeping up the driftsuch help can be purchased only such help can be purchased only at the cost of incurring all cluttered up the mainstream of manner of other penalties the law. The answer to the wood of judicial conflict that has owner is not liable to repay the deposit to the prospective pur-

#### No contract

an independent person, engaged prospective buyers.

HOUSEOWNER wishing to property. He is likely to praise charges the estate agent and

the estate agent as the stakeholder is beneficial to both sides.

about the conditions of the because it is he who initially defaults.

sell his house goes to an estate the house, perhaps excessively, profices time as a reliable person mon Market bearings manufaction of the quantity of new sell his house goes to an estate the house, perhaps excessively, profiers time as a reliable person turers to the EEC Commission to investment needed to support a agent to find a possible pur- And frequently he acts as a in landle the property. There chaser. The estate agent obtains, go-between in the negotiations is some justice in that, but since in the course of negotiations, a over the purchase price.

there is very little real selection penulty just before half-time pointing Taylor. However much the estate of an estate agent—the practice when Clemence brought down. This move that not work—chaser. The negotiations do not agent acts as an intermediary, is usually to put a house in the Dalglish. They never suggested, already two players were playing reach the slage of contract. The

SOCCER

rather more fitness than fitnesse, guard.

pertive purchaser."

The layman would not unreasonably have supposed that the law had a ready-made answer to a problem that must have cropped up literally thousands of times. Not so, For 30 years now the courts have vacillated about where the loss should fall — mostly they have should fall — mostly they have should fall — mostly they have decided in favour of the puragements.

Could have been avoided if the is not obliged to pay a prediction pay and prediction pay a prediction pay a prediction pay a prediction pay and makers are saying—and this inbe obtained from the threat
cludes those operating in countries that are counted in the
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the problem had arrived names, or be can use a solicitor
than the case of the country had been deposited and the country had a series of the case of th The appalled silence that followed was remaniscent of Head ingley when Ray Landwall bowled the best eleven players in the best eleven players in the best cleven players in the best cleven players in the best country, but to choose the best and most effective team, which some under his command. He is a very different matter.

Auctions The seller, on the other hand, The seller treats the deposit as might find himself having to COID WATER manner of other penalties the law. The answer to the an earnest of genuine interest repay a whole string of deposits and this is far from being an One line of attack that has conundrum is that the house by the house. by the buyer. Once the deposit -worth perhaps more than the is handed over, the seller feels house-without being able to a high degree of protection avoid or control the situation, against the purchase ultimately. The wayward estate agent is falling through. But the pur- probably not averse to pickin: chaser, too, gets a benefit. He up a large number of deposits hopes by paying the deposit to from prospective purchasers for The Law Lords demonstrated get his foot in the door. In the same house that is on the how misleading nomenclature purchasers thrust their money if the houseowner were to can be. An estate agent, despite on the estate agent to ensure become responsible to each his style, is not an agent. He is their priority in the field of processor who had

prospective purchaser who had ordinarily on a commission. In that state of affairs it is paid the estate agent a deposit. basis to find and introduce a not so absurd to let the loss can willing purchaser for the house on the purchaser rather than on the seller. The purchaser is a functions are attributable to the tract being made who has the seller only in a very restricted right to demand repayment of sense. No doubt the estate agent the deposit. The seller has no is eager to effect a sale at the such claim until the purchaser is eager to effect a sale at the bush only person before the contact of the prospective purchaser when the stakeholder auctioneer defaults. In such is eager to effect a sale at the such claim until the purchase the deposit is paid to highest possible price so as to price is due, and cannot demand the auctioneer on contract, and highest possible price so as to price is due, and cannot demand the auctioneer on contract, and highest possible price so as to price is due, and cannot demand the purchaser is required by the margin of Fibak's stiffened when play resumed.

Who pay deposits on houses some which lasted 151 minutes.

The seller of a auctions. The seller of a thic prospective purchases which lasted 151 minutes.

Fibak is the first Pole to win of the third set while the deposit to the prospective purchaser when the stakeholder and only the second to the deposit. In such this title, and only the second to the third set while the first the first Pole to win of the third set while the deposit to the prospective purchaser when the stakeholder and only the second to the such deposit. In such this title, and only the second to the third set while the first Pole to win of the third set while the first Pole to win of the third set while the first Pole to win of the third set while the deposit is the first Pole to win of the third set while the first Pole to win of the third set while the deposit to the prospective purchase.

The other was Madislaw Some at the second to the deposit to the prospective purchase to the first Pole to win of the third set while the deposit to the prospective purchase.

The other was M A word of warning to those quick sale. To those ends he will that of two innocent people the He has no option. Hence he no doubt make representations seller should suffer the loss, can reclaim it if the auctioneer orantes trailed 0-3 in the openation of the because it is he who initially defaults.

## Court action help for tenants urged

for by Miss Marion Cutting, a He

6.40-7.55 a.m. Open University 11.00 Play School

10.45 The Camera and the Song 11.10 Newsnight

11.25-11.30 Closedown. Leslie

LONDON 9.20 a.m. Schools Programmes. 12.00 Simon in the Land of Chalk Drawings 12.10 p.m. Rainbow. 12.30 Drive-In. 1.00 First Report:

News, FT index. 1.20 Lunchime To-day. 1.30 Emmerdale Farm, 2.00 Good Afternoon. 12.39 Mon-day Matinee: The Good Beginning starring John Fraser and Lana Morris. 3.55 General Hospital. 4.25 Clapperboard. 4.50 The Kids from 473 5.30 Batman

from 47A. 5.20 Batman. 5.50 News from ITN 6.00 To-day 6.45 Billy Dainty, Esq.

8.36 World in Action 9.66 Manhunter 10.00 News 10.30 Discovery 11.00 Marcus Welby, M.D.

7.30 Coronation Street 8.00 My Brother's Keeper

Sands reads "An Ordinary Day" by Norman MacCraig

5.25 p.m. Open University 7.05 Ancestral Voices

7.29 Weather 7.30 Newsday 8.10 The Waltons

9.00 The Pallisers 9.50 Horizon

GREATER HELP for tenants in with such cases on the assumpthere were facts in dispute which contesting landlords' County tion that tenants will arrive might amount to a defence or a Court possession claims is called armed with the relevant informa- counterclaim.

BORDER -

CHANNEL

1.26 p.m. Channel Lunchtone News and What's On Where. 2.30 The Monday Matines: The Last Child." 5.26 Sirvival. 6.90 Report at Six. 9.00 Six Million Dollar Man. 18.30 Randall and Ropkirk Deceased. 12.30 News and Weather in French followed by Channel Gazette.

URAMPIAN

12.30 s.m. Farmhouse Kitched. 1.20
Grampian News Headlines. 12.30 "The
Private Life of Doo Juan" starrings
Douglas Fairbanks Snr. and Meric
Oheron. 5.20 The Mary Tyler: Moore
Show. 6.00 Grampian Today: 6.19 The
Jim Macked Show. 9.00 Police Woman.
10.30 Conservative Conference Report.
11.30 Music at Harewood. 12.00 Evening
Pragers.

HTY

GRAMPIAN :

"At the moment legislation for by Miss Marion Cutting, a former administrator of the informal so that people could limited value. It is possible that, Central London Catholic Housing Aid Society.

In an article in the monthly them.

Some judges did not delve will resort to the law successfully their seventh tour of England and a pronegess—probably next month.

Some judges did not delve will resort to the law successfully since the war with a dull draw through tack of concentration—for County Courts to proceed where the forms indicate that dation," says Miss Cutting.

Some judges did not delve will resort to the law successfully their seventh tour of England and a pronegess—probably next month.

Stranger things have happened where the forms indicate that dation," says Miss Cutting.

The WEST INDIES have started diatik, a distinctly suspect tail to improve dramatically in the their seventh tour of England and a pronegess—probably next month.

Stranger things have happened and wrought lack of concentration—as the first day against a weakenge if it is unusually difficult to evalu-hilarating stroke makers, in The weather of brilliant and exception of the law successfully their seventh tour of England and a pronegess—probably next month.

Stranger things have happened and a pronegess—probably next month.

The west included the provided of the informal so that the seventh tour of England and a pronegess—probably next month.

Stranger things have happened and a proneges probably next month.

The west included the provided and a proneges probably next month.

Stranger things have happened and a proneges probably next month.

The west included the provided that the provided th

pionships at Bournemouth yes, facility to embarrass his keep him out of Wimbledon, he terday and a first prize of £5,000 opponent right at the start of the will surely add considerably to by defeating the Spanish left rathes prevented Orantes from that total in the coming week hander Manuel Orantes, four establishing the back-court in Hamburg. Dusseldorf, Park years his senior, in four sets rhythm on which he likes to and Berlin—the elay court cham which lasted 151 minutes.

A 10 printle break at the end

## Apart from late in the second inhibited and strangely lethargic were beaten 6-3, 6-2 by the set, when Orantes wove his opponent. South Africans Hana Kloss and familiar web of accurate base. In the past four weeks of play Linky Boshoff.

The third and fourth sets lessons.

became almost a procession as

ing set, he had held game-point Fibak displayed all his consider disappointment in the women's in each game, and might easily able talents of top spin, pass, doubles final yesterday, when have won that set 6--1.

and firm volley against an Sue Mappin and Lesley Charles

There was further

BY JOHN BARRETT

#### CRICKET

LAWN TENNIS

BURDER

12.30 p.m. To Way We Live. 1.23

Border News. 2.00 Bouseparty. 2.30

Moiday Maunee: "Law and Order" The Mointay Matinee: "Buildog Jack"
Starring Ronald Reagan. 5.20 Our of Starring Jack Builbert. 6.00 Day by Day.
Town. 6.00 Border News and Lookaramod. 9.00 Police Story. 119.30 "House Of
6.15 Borderers. 9.00 Police Woman. 19.31

Monday Laie Film: "The Beauty Jungle" Loo Chanes Jr. 11.50 Southern News
starring Ian Heodry and Janetie Scott.

Starring Ian Heodry and Janetie Scott.

Extra. 12.00 Man and Nature. 12.05 a.m.

Farm Progress.

TVNIE TEEC

SOUTHERN

Farm Progress.

TYNE TEES

9.25 a.m. Starting Point. 12.30 p.m.
Farmhouse Knchen. 1.25 Lunchtume
News and Lookaround. 1.30 The Old
Couple. 2.00 Housecall. 2.30 Monday
Matinee "Green Fingers." 5.20 Emmer
dale Farm. 4.00 Today at Six. 4.35
Police Call. 4.30 Police Woman. 18.30
The Westminster File—a portrait of the
Rt. Hon. George Thomas MP—"Mr.
Speaker." 11.00 Music at Harewood.
11.30 Epilogue. ULSTER

ULSTER

1230 p.m. Farmhouse Ritchen. 1.29
Ulster News Headlines followed by Lunchtone. 2.50 Worden Only. 2.30 Monday
Matilner: "Message To My Daughter."
4.23 Ulster News Headlines. 5.20 Survival.
6.03 UTV Reports. 9.50 Movin' On. 10.30
Monday Night with the Rev. David Burke.
Hamilton Road Presbysterian Church
Bangar. 19-40 Spectrum. 11.16 The Prolectors. Prasers.

GRANADA

12.30 p.m. The Gallopins Gournet, 1.20
This is Your Right, 12.50 Monday
Matinee: "Bandwagen" Starring Arthur
Askey and Richard Murdoch, 5.15 The
Pied Piecr, 5.20 Wall Till Your Falbet
Gets Hotne, 6.90 Granada Reports, 9.00;
Police Woman, 18.30 Reports Action,
111.00 Appointment With Feart Bela
Lugusi as "Dracula." WESTWARD

WESTWARD

12.25 g.m. Gus Honesburn's Birthdays, as for those newly emerging on the William Scale Law Westward Law News Headlines. 2.30 The Monday Marinee: The Last Child's starring Van His place in the British Dollar Man. 19.30 Formal for Spring. 19.30 Survival. 4.00 Westward Dollar Man. 19.30 Formal for Spring. 19.30 Faith for Late News. 11.33 Faith for Late Westward Late News. 11.33 Faith for Late News. 11.33 Faith for Late Westward Late News. 11.33 Faith for Late News. 11.

11.00 Marcus Welby, M.D.

12.00 Yellow Pages
All ITV Regions as London except at the following times:

ANGLIA

12.30 p.m. our of Town, 1.25 Auglia News, 2.00 Houseparts, 12.30 monday Mailure: "The Little Ones," 3.00 Help Yourself, 5.20 Out of Town, 6.00 Report Life.

12.30 p.m. our of Town, 1.25 Auglia News, 2.00 Houseparts, 12.30 monday News, 2.00 Houseparts, 12.30 monday News, 2.00 Houseparts, 12.30 monday Remember Manua" starting Irene Dusine and Barbara Bel Geddes

starting Durothy Lamour and Rav Milland, 4.25 The Monday Roum, 5.20 Service except: 120-1.25 p.m. Penwadau Milland, 4.25 The Monday Roum, 5.20 Service except: 120-1.25 p.m. Penwadau Milland, 1.30 Monday Night Film: "Shock Newyddion y Dydd, 200-2.30 Ramdden, proof," starting Curnel Wilde.

7 Cartographer gets his car to

24 Early theologian has a sound 17 The same dept. turns in panic 25 Match box to settle future law 19 So, we hear, the good man takes it to church (6) 26 May turns me to the right 20 Put back a chap that is in-27 Lily among the departed (S) 21 Like spring in addition (2, 4) The solution of last Saturday's prize puzzle will be published 10.20

RADIO 1
Softwarehouse breadcast.

All Softwarehouse breadcast.

Al

9.25 The Monday Film: "A Professional Gun" starring fessional Gun" starring Jack Palance

Jack Palance

11.40 Weather/Regional News
All Regions as BBC-1 except at firm Bristol): South To-day fellowing times:

Monday Film: "A Professional Gun" starring Monday Late Film: "Black Zoo"

Monday Late Film: "Black Zoo"

Black Zoo"

Monday Late Film: "Black Income a shot gove to fash of the Series Sorted in Individuals into a tight the Late of individuals into a tight the Late of individuals into a tight the Late of individuals into a tight the Sorted individuals into a tight the Late of the Late of Individuals into a tight the Late of ATV MIDLANDS

SCOTTISH

Last winter they were thrashed in Australia even more heavily than MCC and until India unconditionally surrendered to pace in the final test, it looked and Meric Oberon. 5.20 starring lan Carmichael and Janette University Challenge. 6.80 ATV Today. Scott. 5.20 Well Till Your Father Gets 1.00 House, 1.15 The Protectors. 11.45 Canon dest. 5.20 Scotland Today. 6.30 Crime 1.15 The Protectors. 11.55 Canon dest. 5.20 Well Till Your Father Gets 1.15 The Protectors. 11.55 Canon dest. 5.20 Well Till Your Father Gets 2.00 paper, they possess a Holding, and the raw Daniel. Summer's featherbeds, which sour behaviour:

BORDER

SCOTTISH

Last winter they were thrashed in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals, especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals. Especially if the Trafford where Jim Laker rouled in Australia even more heavily massive totals. Especially in the Headingley).

can muster and have more world port, plus two batsmen who are Thompson and would do likewiss class players, but they also have both reasonable seamers. to Roberts and Holding. class players, but they also have both reasonable seamers. to Roberts and Holding.
four serious weaknesses which In contrast, their spin depart—Everything points to a hard

ing series. Much will depend on Richards and Fredericks. Unless pitches and the weather. On whether their Captain, Clive Rowe can find his true form, bard, fast and true wickets, the Lloyd, and manager Clyde Wal- however, they lack the depend- odds favour the visitors. But

could lead to their downfall. ment is unimpressive, unless close series, with plenty of There is a lack of balance in Jumadeen and Padmore—a excitement and the promise of their batting, an even more procarbon copy of Gibbs, but with surprises. Who could ask for nounced lack of balance in their out the master's genius—are able more?

#### YACHTING

BY ALEC BEILBY

## Tense rivalry at Weymouth WEYMOUTH, May 16-

sailed in fresh westerlies.

RACING

WEYMOUTH OLYMPIC Week, A fine struggle is likely in the In the Tornado catamatan which started on Saturday, is single-handed Finn class, where making their Olympic debut the most important fixture in the choice must lie between Kingston, Outario, in July, Re the yachting calendar for those Chris Law, who won the class White and John Osborn, at world championship in Brisbane favourites for the British keelboats, dinghies and cata in January, and David Howlett. Olympic team place. marans.

About 300 sailors and 171 boats battle. Howlett and Law sailed of sailors are here this year—the fourth the wrong course yesterday year of the event—and the tension is as great for the old hands to-day Howlett was first by as for those newly emerging on the Olympic scene.

Alan Warran who have taken the first was first by the favorithm of the Olympic scene.

hat-trick. which weather put paid to more Juin Macdonald-Smith has Yesterday's race was postponed. than half the ficel of 17, but third and a first in races sails He finished first in to-day's race, to-day he redressed the situation so far, and John Oakeley has

sixth and a fourth.

BY DOMINIC WIGAN

## Made in Britain

by B. A. YOUNG:

itine not to say dull, account profits, or rather reduced losses, what has been going on at wley between 1966 and the of this kind of exercise unless it of this kind of exercise unless it

leed the impression I got was complete.

This is actually the Oxford simply of newspaper stories syhouse's second shot at a being acted out, though usually rementary about the Cowley with the political emphasis return works, the first having versed. There is what might be en shelved. Its authors. Steve described as an unhappy ending, och and Paul Thompson, have worker participation, rationalisated, done a similar job about tion and measured day work eady done a similar 100 about 110n and measured day work rd. called The Motor Shore, resulting, it seems, only in rhaps they didn't leave enough divided loyalties, redundancies the cherry for a second bite, and reduced earnings, even if Made in Britain is a they also result in increased.

resent day.

We have the usual sequence of twhich Made in Britain certainty mass on the shop-floor and managerial directorial important insight. Documentary important insight. i Government level, shop-floor theatre is only in its infancy we always being right and yet. What it needs is more ectors always being heartless emphasis on theatre and less stocrats. The stage is cleared reliance on old newspaper

scenery, locations being sum-ned up by projections upon There are s eens lowered from the flies character-sketches are some i the addition of the necessary Landis, Carrie Lee-Baker. David niture, Lincoln. Shay Gorman, Helen never felt any deeper Brammer. Don McKillop and a wlved in the sad history of dozen more, and the usual stactory than I have been tedious songs without which it ough reading the newspapers, seems no agitprop production is

ircell Room

\$ 6,500,000

five year eurocurrency loan.

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BANQUE NATIONALE DE PARIS LIMITED

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Covent Garden

## Figaro by MAX LOPPERT

Hugh Petter

Whole the properties of the state of the sta

at the age of 33 was announced on Saturday, was an outstanding figure of the "early music" revival in this country during recent years. As director of the Early Music Consort, which he founded in 1967, he brought medieval and renaissance music to a wider audience than ever before through concerts, international tours, and recordings. He became well known to children (and to many of their parents; as the regular presenter of Radio 3's long-running series. Pied Piper. In which his enthusiasm, knowledge and range of interests found an ideal format He had just completed a major book and recording on the instruments of the Middle Ages and Renaissance.

Gala for guide dog fund

There will be a gala evening at the Arts Theatre to-day, Monday, to-celebrate the achievement of members of the Unicore Theatre for Young People in saving silver paper and stamps towards buying and training a guide dog for the blind. Artists appearing will include members of the Royal Ballet and singers from the London Opera Centre. There will be extracts from Joseph and his Amazing Technicolor Dreamcoal and Venus and Superkid. Tickets are £2.50.

## Geisterbahn by B. A. YOUNG

remaining two-thirds of Steller-sudden tecrudescence hof, which we saw at the Bush maternal cell indu-

At the end of Stallerhof the backward crippled girl Beppi had just begun her birth pains, having been seduced by Sepp, the hired hand at her parents' farm. She now has a six-month old baby and lives with it in her parents' house still. Its father having been turned away. The parents want the child sent to a home, but Beppi insists that mentally-retained Beppi is one if Georg is put in a home I'll kill myself."

After trying to brain her mother with a piece of wood she is allowed to go and live with.

I cannot, though, admire the sary handicap.

The jewel of the production (as fermerly with Stallerhof) is the performance of the girl playing been turned as a six-month complete, is puthos is more complete, is puthos is more complete, is puthos is more complete, as well broat's Bavarian for a primative parents want the child sent to a argument are excluded; the when she is confronted with a son and for the unstructive man whose it is allowed to go and live with.

I cannot, though, admire the article of unable is required.

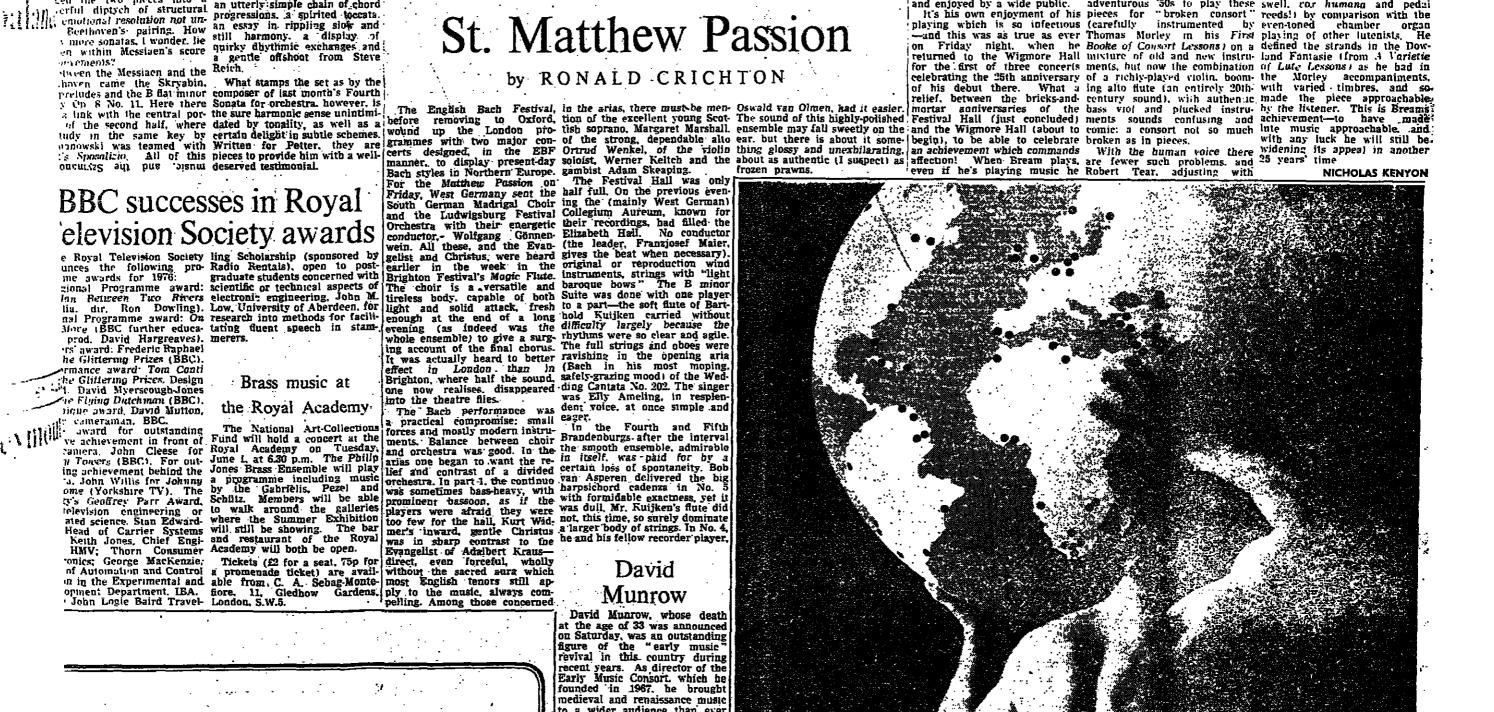
his plays in scenes rather than put the baby into a home is extremely short, undeveloped in acts. Dr. Holloway might repeated, this time from the seenes. Clearly he is trying to have added that he writes acts health authorities. Beppi pre- present the world as it must rather than plays, for Geister pares the child for delivery at seem to unthinking people; but boths is no more than the the home and then, with a even Beppi is capable of understrangles it against her breast, ment seems to me an unneces-At the end of Stallerhof the Puls it into a cardboard box and Sary handicap.

Franz Xaver Kroetz, as Ronald Sepp in his bedsitter; but he technique with which Krotez Holloway has pointed out, writes dies of cancer and the threat to tells his story, in a series of of standing that one thing causes self indulgence, another, and to avoid develop-

#### **Earls Court**

## Elton John by Antony Thorncroft

Elton John, last year the around the stage interfering with. As a musician. Elton John world's most successful record his band's instruments; and seems to have written our his log artist, has abandoned the generally orchestrated, the talent a few years ago now, and sentertainer and become an packed thousands in an orgy of his place at the very top of the entertainer. And judging by his spectacle.



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combined strength of the Morris group is probably

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THE IMPERIAL COLD STORAGE AND SUPPLY COMPANY LIMITED (Incorporated in the Republic of South Africa) PROFIT STATEMENT AND DIVIDEND ANNOUNCEMENTS

1974/75

# airfields may go to BAA

By Michael Donne. Aerospace Correspondent

THE BRITISH Airports Authmay take over from the Civil Aviation Authority the eight Highlands and Islands airfields in Scotland-Benoecula: Inverness, Islay, Kirkwall, Stornoway. Sumburgh. Tiree and

The two authorities are discussing the matter in response to a request from Mr. Edmund Dell. Secretary of State for Trade. They will report to Mr. Dell, who will take the decision. The eight airfields have been run by the CAA since its formation, as a "social service" operation. All run at a closs.

cumulatively amounting to just over £2.1m. in 1974-75.

#### Oilfield traffic

Some of the airports are tiny, little more than grass strips with small buildings, in some cases lacking navigation and other aids found at big airports, although Sumburgh has recently bene-fited from a 17m, improvement programme to equip it for the rising traffic from North Sea oil and gas developments. A study by the CAA in 1974

showed that the airports made an important contribution to the social and economic well-being

own, preferably a wholly-owned of the successful short-range 737 year. It has not abandoned its

obliged by the Government to ageing operate at a profit, and if re- Elevens. operate at a profit, and it required to take over the High. Later Booing will visit other
lands and Islands airports will airlines in Europe, seeking marprobably want some support kets for the 7N7. It is holding huggets. Boeing has not pubfrom the Government, while 1 discussions with Aérospatiale. Islands cash figures on the prothe first quarter of last year. studies possibilities of making the French aircraft builder, on gramme's rost, but it is believed

## **Parliament** this week

TODAY: Finance Bill, commit variant seating 156.

This model could use the cates Delta's confidence that the frame - American (Sneematon is ending and that air recession is ending and that air recessions confidence that the frame - American (Sneematon is ending and that air recession is ending and that air recessions.

The order brings total sales on the first include turning it into which 1.191 have been delivered a family of jets, with an interded improvement in a family of jets. With an interded improvement in a family of jets, with an interded improvement in a soon miles) model, called the Boeing's production programmes the four and employment this year.

Income Supplements (Com-

putation) regulations.
FRIDAY: Private members' Bills.
MONDAY (May 24): Private members inotions: opposed members inotions: opposed fig. nav. policy danger? private business.

LORDS

MONDAY: Dehate on the consultation document on trans-

port policy.

TUESDAY: Atomic Energy implicit in the next stage of the unless to the unless to the unless to the unless to the latest economic report of the London Chamber of Company of the London C

Sea conference.

THURSDAY: Development of the erosion of differentials, ment.

Rural Wales Bill, committee:

Endangered Species (Import and Export) Bill, third read-

SELECT COMMITTEES MONDAY: Expenditure (Educa-tion, arts and Home Office subcommittee), 3.45; Abortion, 4.00; Expenditure (General sub-committee), 4.15.

A further sale of istn century pictures and committee A, 4.00; their smallest increase since their smallest increase of constraint the status planned.

Contracts Woll in £35.50.

The contract of severe smallest corois smallest increase of 22.9 per cent. This was a sharp drop from the increase of 22.9 per cent. This was a sharp drop from the indicator. They shaded

of post and telephones BY OUR INDUSTRIAL STAFF

**Boeing starts sales** 

drive in Europe

for 7N7 airliner

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

possibility of developing it to be considerably less than the

'is pay policy danger'

Jeddah water schemes

to be speeded up

BY LORNE BARLING

WARNING of the dangers rising raw material prices, and

The Post Office should be divided, with postal services and relecommunications coming under totally separate management, according to the (onfederation of British

Industry.
The CBI, in its evidence, published to-day to the Government-appointed Carter review into Post Office operations, takes a view about division of responsibilities similar to that advocated by Sir William Ryland, corporation's chairman.

Monitoring

Sir William, in a move not followed by other nationalised industry chairmen, withdrew the Post Office from the CBI last year. The CBI has been critical of the Post Office and its comments to Carter reflect concern that the corporation

not sufficiently costconscious and that its marketing strategy is weak.

The CBI calls for a thorough individual service provided by the Post Office, and urges that monitoring of financial performance should be improved.

Where is was decided a par-ticular service should be continued because it was considered "socially essential," the costs should be borne by the appropriate Government department.
Whitehall should assess ser-

ices undertaken by the Post Office on an agency basis-payment of old age pensions, for

Significantly improved standards of first class mail should be established, and plans implemented to achieve them on a continuing hasis."
There should be no further

deterioration in the standards al second-class bost

There should be a review of the plans for mechanisation. "If mechanisation is found to be beneficial, action should be taken to convert the whole system as rapidly as possible. If not, it should be abandoned

#### Competition

On telecommunication, the CBI say, that the Post Office should be solely responsible for the network, but 2dds: " Compelition by private suppliers should be permitted in the pro-tision of all kinds of private exchanges and attachments

Support is given to the Post Office case that the Government should takes complete responsibility for funding Halalities of the superannuation fund before the formation of the public corporation in 1969.

## Merger and takeover activity still low

COMPANY ACQUISITION and

subsidiary company registered in Scotland with close links with the Scotland with close links with the Scotland with close links with the Scotland will close links with the entra business the seconding now being specified by three months of this year second. Exports of cloth yarns and tops the earlier plans for another family acquired or merged in the next the entra business this year.

Exports of clothing now being specified by three months of this year second the earlier plans for another family acquired or merged in the next three months of this year second. Exports of cloth yarns and tops three months of this year second to figure months of this year second to the entra business this year.

Exports of clothing now being specified by three months of this year second to figure months of this year second to figure months of figure months of this year second to figure months of figure

The airlines are showing. The value of such transact interest in the TN7 because it is though, fell from SNICE

Average

In general, acquisition being; ountly. 7X7 plans.
Few details of the 7N7 have Boeing announced that it has has been low since the second quarter of 1974 and total experbeen made public but it is known won an order from Delta Air to be a derivative of the 737, of Lines of the U.S. for 21 more which several hundreds have three-engined 727 medium-range diture in the first quarter of this year has departed little from the been sold. It would be initially jet airliners, worth well over a twin-engined aircraft capable \$200m, with deliveres spread to of carrying 125 passengers up to 1978.

2.000 nautical miles, with a This deal, the largest placed variant seating 156.

The engree mile from the first passenger and agreement as tar use in agriculture, the horizontaire that the increase in sales took industry, forestry and gardening place against a background of cry from those for the first and abroad last year, from quarter of 1973, which saw 352 and abroad last year, from and composite meditions for the first place against a background of guarter of 1973, which saw 352 and abroad last year, from and composite meditions for the first place against a background of guarter of 1973, which saw 352 and abroad last year. transactions take place with a figure to fisher, yalno of figure 700 riant seating 156.

by any airline this year, indi-This model could use the cates Delta's confidence that the value of \$323.7m.

Dairies for \$10.5m. and Dixons

## Saleroom

## Bonheur horse fight painting

on the permanent site for the European Parliament.

WEDNESDAY: Debate on recent session of the UN Liw of the Session of the UN Liw of the Chamber says that there are restraint on incentives for skilling members as a particular problems to the figure between the Godolphin merce.

Attention as focused by the Arabian and the English stallion of Session of the UN Liw of the Chamber says that there are restraint on incentives for skilling members as a particular problems to the figure between the Godolphin from the collection of session of the UN Liw of the Chamber says that there are restraint on incentives for skilling members as a particular problems to the figure between the Godolphin from the collection of session of the UN Liw of the Chamber says that there are restraint on incentives for skilling members are shown in the figure between the Godolphin from the collection of the UN Liw of the chamber says that there are restraint on incentives for skilling members in New York on Friday. Bernet in New York on Friday for £34,125.

The price is a world record for a Bonheur painting, and the growth in recent months.

A further sale of 19th century pictures brought in £557,000.

## Highland | CBI proposes separation | U.K. wool textile exports up 29% in first quarter

BY OUR TEXTILES CORRESPONDENT

EXPORTS to Britain's wool world, at £25.6m, are showing textite industry in the first three only a 4 per cent. Jain. nearths of this year, at \$65m. In woollen cloth, Western were up 29 per cept, on the same Europe, accounted, for 2.67m. gerrod ast year, reflecting the square metres out of total sales convery which his now begun in the first three months of \$76m.

the West Test the Delegation total of 3.1m. square metres out of a Brantord, the March total overseas.

Brantord, the March total overseas.

Britain's wool textile industry some came is 124331, the printing which is also to be helped by a pro-recorded, and an improvement motional scheme launched this of 2390, on the figure for month by the International Wool Pobrary in March last year, Secretarial.

In the middle of the recession, The secretariat, which last

of noment is still taking place, aimed at boosting wool's image in still at the early stages in the with the consumer. processing claim as oversels. According to the secretarial textile industries festors to meet wonl's share of fibres processed exiting (maistries restors to meet won's share of norts processed to their revels of demand.

Expects of rache race by 34 merensed in the year to the end per cent, in value terms to of January from 45.8 per cent to fillim, in the first three months 51.4 per cent, with man-made of this year, with volume also these dropping back from 40.1 merensing by 32 per cent. Raw per cent, to 34.4 per cent.

wood shipments were up 59 per.

The secretariat is also to receive the contract of the percent.

wood shipments were up 59 per. The secretariat is also to cent. In value at 1880m, an exhibit in London at the Decornerease of 14 per cent. In International show at Olympia volume; and earning, from tous this week a range of more than teambed woods, at fifth were 70 woolmark upholstery and no 111 per cent in value and curtain fabrics from 17 U.K. 64 per cent, in value, and Irish mills using its flame.

Lurope

social and economic well-being of the area.

It wanted the airports separated from its other activities an organisation of their an organisation of their owner. "Stretched version" ing on the design for about a slight full in total expension. When the successful short-range 737 year. It has not abandoned its owner, preferably a wholly-owned of the successful short-range 737 year. It has not abandoned its owner, and in the first version down, preferably a wholly-owned of the successful short-range 737 year. It has not abandoned its owner, and in the first version down, in the first version down in the first version down

to take piece in various markets square metres, and in worsted in testile domaind.

According to finites published to 1.27m, square metres out of a

the industry's exports amounted year spent more than flin, back-to £15m. Ritain, is to mount The figures show that the un- a further programme this year

resistant treatments.

merger activity is showing (11). Shipmonts of woul cloth, at ment based on zirconium or mild signs of revival. The 1197m, were dill about 10 per titanium, was developed by the

## Agrochemicals sales **rise by 32%**

BY OUR CHEMICALS CORRESPONDENT

SALES OF agrochemicals for use. The Association points out Exports increased even faster, industry,

n the three ments to roughly half of total sales. acres were treated with herbi-Barratt Developments: Figures released by the cides. acquired H. C. Janes for 211.5m.

Northern Foods bought Choler

Brush Agrochemicals Association, show that herbicides con-tinue to represent the biggest background transformed by suggest

overseas of 164m. Sales of fundicides totalled grown.

Sales of fundicides totalled grown.

SS.Sm. in the U.K. and C3m over. Only 1.06m, grassland acres
seas. In the other main group, were treated, out of 14.5m.

There were three major negations to reach £79m.—40 per cent. Of the main U.K. crops, a total sitions, accounting for negations in the three members to make the fifth of the for grown last year, of which 7.9m.

Total potato acreage amounted

Photographic took over Weston element in sales, with total sales her under treatment. In sugar Pharmaceuticals for 110.1m. at home of hearly 150m. and edge treatment, out of 498,000

sales of in-eclicides in Britain grown, reflecting the downturn amounted to £11.4m, and the in profitability of the livestock same total was recorded over- sector and a decline in available cash for investment in grassland

## Slower rise in earnings as wage restraints bite

BY MICHAEL BLANDEN

standards caused by wage restraints has been illustrated by the downtrend in earnings lished revised figures showed the growth in recent months.

The latest average carnings able indicator. They showed a higher rate of growth than their smallest increase since indicated by the Budget esti-July 1974, in the 12 months to mates.

THE PRESSURE on living ing unusually successful annual standards caused by wage sales dropped back, restraints has been illustrated in March, the recently pub-

compared with 109.8 in January. Another painting by Bonheur. figures, for March, are due to Spanish Muletcers Crossing the be published on Wednesday. Consumers' expenditure figures for the first quarter. The first prederick Herring's Good after the basic wage rate figures, preliminary estimate of these further sale of 19th century able indicator. They showed a bigher rate of growth than

# The audited results of the group (excluding extraordinary items) for the 12 months ended 23th February 1976 were as follows:

12 months 14 Months Converted caded 25.2.75 R000 ended 29.2.76 6445 R000 263 850 338 834 307 977 Group profit before taxa-3 659 3 136 \$ 208 Group profit after taxation Profit attributable to sharehalders . Number of ordinary shares 23 654 400 in issue Farnings per ordinary Mr.

For ease of comparison, the figures of the previous accounting period covering 14 months, have been converted to an annual basis

[ ].Jc.

Final Dividend No. 82 on Ordinary Shares

per ordinary

Dividend

share ...

Notice is hereby given that a final dividend of \$5 cents per share (1975-9 cents) has been declared on the company's per shares, payable to shareholders registered in the books of the company at the close of business on 11th June, 1876. Together with the interim dividend of 3c per share paid on 12th December 1975 this makes a total dividend of 11.5 cents.

per share for the 12 months ended 28th February 1976 [14] months ended 28th February 1975—12 cents).

The dividend is declared in the currency of the Republic of South Africa and becomes due on 12th June 1976. Dividends payable from the office of the company's Landon Transfer Secretaries will be paid in United Kingdom currency at the rate of exchange ruling on 12th June 1976.

Dividend warrants will be posted on or about 9th July 1976. Non-resident shareholders' tax at the rate of 14.517 per

cent, will, where applicable, be deducted from dividends. The ordinary share registers of the company will be closed from 12th June 1976 to 25th June 1976, both dates inclusive.

Interim Dividend No. 74 on Preference Shares

Notice is horoby given that an interim dividend of two and three quarter per cent, has been declared on the company's preference shares, payable to shareholders registered in the books of the company at the close of business on 4th June

The dividend is declared in the currency of the Republic of South Africa and becomes due on 5th June 1976. Dividends payable from the office of the company's London Transfer Secretaries will be paid in United Kingdom currency at the rate of exchange ruling on 5th June 1976

Dividend warrants will be posted on or about 30th June 1976. Non-resident shareholders lax at the rate of 14.517 per cent. will, where applicable, be deducted from dividends. The preference share registers of the company will be closed from 5th June 1976 to 18th June 1976, both dates

By Order of the Board Secretary

171. Jacob Mare Street,

Office of the United Kingdom Transfer Secretaries: Charter Consolidated Services Limited. P.O. Box 102,

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# هاتواسالامل

## Communists | Spinelli to stand

## Syrian coalition

By Ihsan Hijaxi

BEIRUT, May 16. UNCONFIRMED REPORTS

from Damascus claim that the Moscow-orientated Communist Party had suspended its membership of the ruling National Front headed by President Hafez Assad, amid reports of an impending Government reshuffle.

Communist disapproval of Syria's role in Lebanon is a possible reason. Informed sources, say Soviet-Syrian relations are also suffering unpublicised strain.

Reliable sources said that Soviet President, Nicolai Pod-gorny, is due to visit Iraq later month, but so far there were no indications that he will visit Damascus as well.

President Assad, informed sources said, has formed a special committee from his raling Ba'ath Party to study proposals for a Cabinet reshuffle and decide whether the current Cabinet of Pressier Makmoud al Ayoub should be papied entirely or merely replaced entirely or merely

In Damascus it was anunced that President Assad had received Sunday an "urgent" message from the Soviet Party leader, Mr. Leouid Brezhnev. A spokesman deelined to elaborate.

The Syrian regime is also under pressure from other sources. Its agreement to seek reconciliation with the regime of President Anwar Sadat, of Egypt through Joint Saudi-Kuwaiti mediation, appeared to have angered Col. Moammar Qadhafi, of Libya. Major Jalloud, the Libyan Premier, arrived in Damascus un-expectedly last night with a message to President Assad from Col. Qadhafi.

Reported Libyan objection to the proposed reconciliation is not expected to deter Damascus. Syria needs Arab cover through the Riyadh con-ference for its reported decision to extend the man-date of UN forces in the Golan heights when it expires at the end of this mouth.

Meanwhile yet another Lebanese ceasefire broke down last night with heavy fighting and shelling of residential areas of the capital resuming on a large scale.

The forty-fifth truce in the 14-month-old crisis was the obvious victim of political stagnation which has continued despite the election of Mr. Elias Sarkis as a new Presi-

# on PCI platform

ITALY'S Christian Democrat the election provided it remains

Communist proposal has stolen some of their own electoral clothes agree with the Communist line that 30 years of Christian Democrat hegmony has brought the country to such a state of decay that a substantial Democrats and more votes for the Left-wing parties is required to permit a real change in the political situation.

The Communist Party, which its stop and destroyed has been the first to publish its letterioral programme and complete its list of candidates, for of part of a wider strategy aimed mally opened the campaign to-day at making the Republican party hopes of enlisting the campaign to-day at making the Republican party demonstrators. Before leaving Rajshahi at the head of the largest-every demonstration held in Banglawith a mass rally in Rome the influential voice of the propagation of the demonstration held in Banglawith a mass rally in Rome ductive middle and managerial class.

Large Party and destroyed to stop any intrusion on Indian to stop any intrusion on Indian territory by the Farakka peace demonstrators.

Before leaving Rajshahi at the head of the largest-ever demonstration held in Banglawith and the party hope and the managerial class.

Large Party and destroyed to stop any intrusion on Indian to stop any int

CD's do not exclude the possi- old and tried methods which have bility of a "constructive con- kept the Christian Democrats in frontation" with the PCI after power up to now.

BY ANTHONY ROSINSON

ROME, May 16.

party has rejected out of hand as the principal opposition force. the Communist Party's proposal The Communist Party has the Communist Party's proposal The Communist Party has for a "government of broad managed to enrol a number of democratic unity" of all demo-prominent Catholics, specialists, cratic parties, including the artists, public figures and even Communists, after the elections. military men into its list as in-dependent. The willingness of The proposal has also been rejected by the Social Democrats and Liberal parties while the Republican party, which has said it is strongly opposed to the idea of a Left-wing alternative government on Socialists and Communists, does not exclude the possibility of some form of participation of the Communist militant imprisoned under Party in a broader alliance after the election. The Socialists, althe election. The Socialists, are the election. The Socialists, are though somewhat piqued that the tionism, economist proposal has stolen Spaventa, former Nato companies proposal has spaventa proposal has mander and air force general Nino Pasti and writers like Mario

But the most controversial new face of all is that of Umberto Agnelli, deputy chairman of Flat His willingness to stand for a senatorial seat in Turin for the Christian Democrat party has led to a fierce internal dispute force of India has been alerted between Right and Left-wing fac-

Rigoni Stern.

addressed by party secretary Sig.

ductive middle and managerial marchers not to cross the international boundary.

The American Continental Oli is seriously deteriorating, bring-dent of the party is having enormous difficult electorate will vote for a new religious of its more voting in the general election for a new Parliament nationally on a party is having enormous difficult with party and new party as a potential govern.

The American Continental Oli is seriously deteriorating, bring. Company has agreed with the long govern with the flame world to the brink of an obtiter and extensive conflict.

The American Continental Oli is geriously deteriorating. Discovering the world to the brink of an obtiter and extensive conflict.

The American Continental Oli is geriously deteriorating, bring. Company has agreed with the legiston of the party search with the flame world to the brink of an obtiter and extensive conflict.

The American Continental Oli is geriously deteriorating. Discovering the world to the brink of an ingite extensive conflict.

The American Continental Oli is geriously distinct on the party is agreed with the long govern the conflict. The communist campaign this start problems the world to the brink of the transfer of the world to the brink of the transfer of the communist of the conflict.

The Communist campaign this special party is agreed with the figure and extensive conflict.

The Am

## mass march on Indian

dam

RAJSHAHI, Bangladesh, May 16. small town about 200 miles northweste of Dacca to protest against India's unilateral withdrawal of

By Our Own Correspondent

India's unilateral withdrawal of they were more hopful that agreements could be reached in the coming weeks which would the coming w

## Bangladesh EEC ministers aim at elections plan by July

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT

MORE THAN a quarter of a Though no substantive milion people started out on a decisions were taken this week-45-mile march to-day from this end, several of the participants indicated that the talks had agreements could be reached in M. PIERRE Lardinois, EEC the programme will end and Sauvagnargues in Paris on the coming weeks which would Farm Commissioner, who last will not be renewed," he Friday inject new life into the Com- week came under renewed attack declared

THERE now appears to be a that they have agreed to hold a ferences remain over the number objects to this scheme because widespread conviction among special extra session next month and distribution of seats in the it would give Scotland and Wales following their private meeting according to participants, this Britain and France displaying than that of small EEC member here this week-end, that major week-end's meeting saw the adoptecisions on the future political tion of a more flexible approach so far.

development of the EEC cannot by the Italian Government, which by delayed much longer without is esser to be able to nortray stood firmly by its most recent connected that there is some most.

BY DAYID CURRY

# Lardinois defends skim milk plan BY DAYID CURRY BY DAYID CURRY

be delayed much longer without is eager to be able to portray stood firmly by its most recent conceded that there is some merit risking a further serious decline some progress inside the Computing proposal to keep the number of in a German plan to double the in public confidence in the munity before next month's seats in the Parliament at its number of seats for all countries present level of 198. Britain except Luxembourg, though it is

## Conoco gets big Egyptian concession

week-end dash to the Islamic profession dash to the Islamic profession Ministers' conference in Islambul told the 42-member conference that "Bangladesh must during which gravimetric surference that "Bangladesh must during which gravimetric surference that "Bangladesh must during which gravimetric surference of the Ganges" veys will be carried out. A venezuela's crude oil output that the surference of the Ganges will be carried out. A venezuela's crude oil output the surference of the Ganges will be carried out. eys will be carried out. A second phase, intended to be 11 Venezuela's crude oil output this

French deficit narrows

By ROBERT MAUTHNER

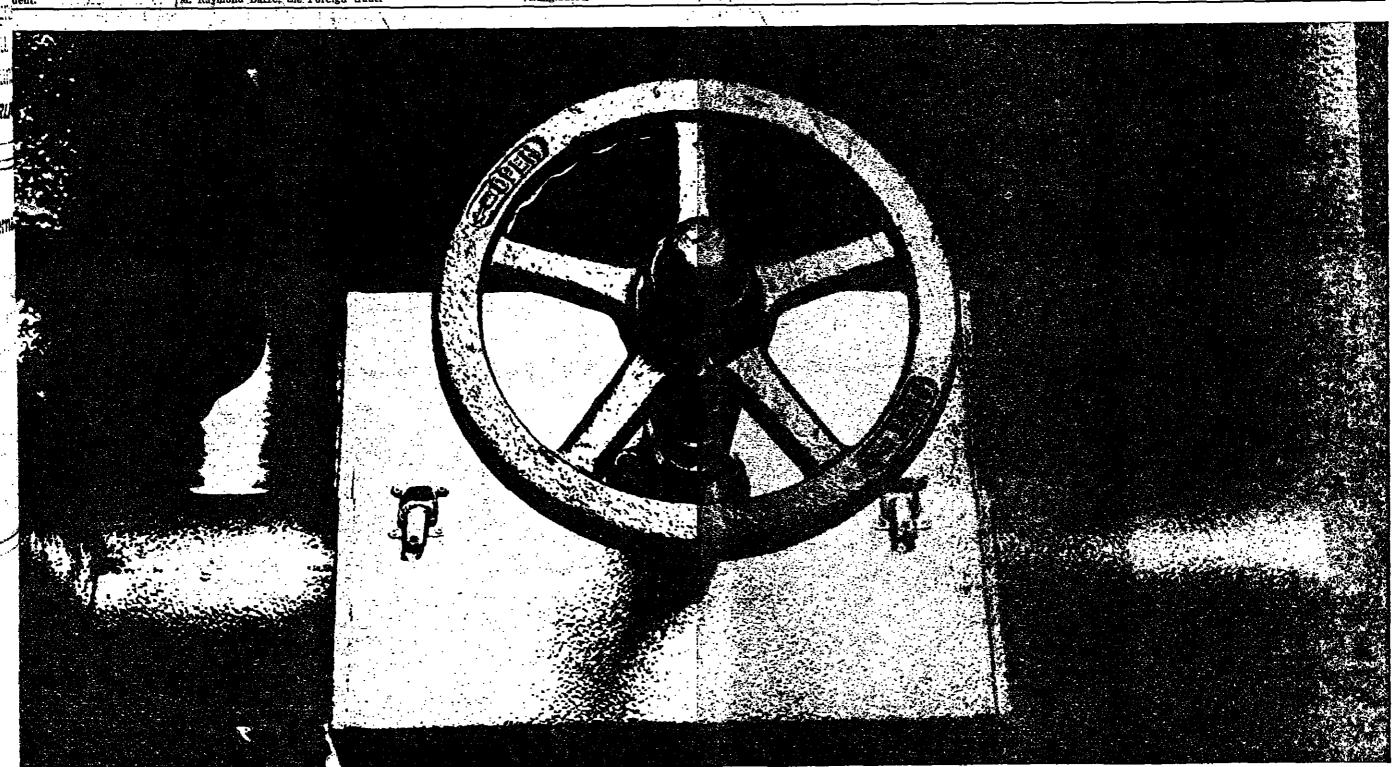
PARIS, May 16.

Kashmir issue

Kashmi

People's Republic, saying of the will go on to Peking following Cabinda's closest neighbours, are not friends they must at least coexist." Jane Bergerol writes from Egypt with military supplies was

# Cairo war



## We can now save you fuel both sides of the stop-valve.

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EMPLOYEE FRINGE BENEFITS

# Uncertainties of new taxation

It is still not clear what effect many of the pro-

visions of the Finance Bill will have on employee

benefits. Tax experts disagree on the way many

are likely to be interpreted, especially over how

items such as cheap air travel and hotel rooms or

free legal advice should be valued.

BY DRYDEN GILLING-SMITH

the real income levels of many is prepared to give him. employees that will dwarf all year's pay equation-permitted pay increases, adjusted tax thresholds and retail price

Yet the provisions are not easy to understand-many tax experts still do not yet agree how they are likely to be interpreted. What is more there are many anomalies and absurdities. Miners' free coal appears to have been left untaxed, but the invisible benefits enjoyed by employees in the service industries who can buy their employers' surplus capacity-for example, unsold airline seats-are to be taxed not on the cost of such benefits to the employer but on a place price.

#### Unfairness

groups of employees when the use of his company car was per cent. or whatever his waste. Fewer employees will effects are fair. On the company car was per cent. effects are felt. One suspects worth as much to him as to the marginal rate of tax, on the full take up the offer because they of effects are felt. One suspects worth as much to him as to the that the full implications of employee whose company car is many of the provisions have his only vehicle.

Imaginal rate of tax, on the full cannot afford to pay the tax.

Taxation of a service protocompany of the provisions have his only vehicle.

Taxation of a service protocompany of the value of his benefit has been thought about the value of his benefit has been constituted for nothing or at low of many existing company. simply not been thought about

applied to determine the value may decide not to take it up at ramifications. The employee Cars and loans have attracted of certain benefits to employees all. Furthermore, he could well working for a firm of solicitors post attention. Clearly there is the minutes of the solicitors of the could be solicitors. most attention. Clearly there is that raise the main question find that he is paying more than who gets free legal advice from (Management). still a strong balance of marks about the aim of this the outsider who buys his ticket one of the partners could preadvantage in having a company year's Finance Bill. They also from a charter firm. car and paying tax at the new prompt questions as regards. Airline tickets do not provide that the partner would have scale rates, as opposed to having future employee henefit policy the ideal basis for considering charged an outside clientto buy a car out of one's own in many companies. This does this problem because there are provided the Inspector of Taxes salary. In any case no employer not concern so much the better inevitably arguments about staff were able to listen into the in his senses is going to switch known benefits like cars, loans, using genuine spare capacity or private office conversations of from providing cars to not pro- and share incentive schemes, taking up seals that might the people concerned. When viding cars as a result of the but rather the many modest, otherwise have been sold in the one considers the vast range Finance Bill since, for example, but highly cost-effective forms open market. Also, the avail- of invisible advantages that he would lose a depreciation of remuneration. Most par ability of substantial reductions most people are able to derive CASSETTE TAPES have been

living standards this year is the canable of generating quite the a fraction of the cost at which price." tax many employees-and not same level of net-of-tax benefit such goods and services are sold just senior executives-will to the employee (although some to the general public.

other components of this rigid scale of charges based on and some supposed arms length pillowcases and a small contri-

A FACTOR which is likely to that a given level of expenditure production or services sold by serious problems in determining boggles at the attempt to bring have a significant effect on by the employer is no longer companies to its employees at a fair "arm's length market this type of benefit into charge

have to pay on benefits they employees such as those already. Considerable publicity has of hotels in pleasant holiday feceive as part of their total assessed for a lax on a high pri- been given to air farcs and resorts in Western Europe and remuneration package. The 1976 vate mileage expect to be better travel cost reductions for an insurance company that Finance Bill contains a number off than under previous employees of airways and sold holiday cancellation insurof major changes in the tax to arrangements. But the car will transport undertakings, and it ance policies. The hotel chain be paid on a whole range of still remain a favourite benefit, is possible that this may have might offer emloyees its unused benefits and where this is sub- for any employee who wants a obscured the change in the basis capacity in the form of offstantial it may make a hole in car of the kind that his employer on which many benefits—cal- season hotel accommodation at culated as the difference a cost of little more than that The main criticism of the new between "cost to the employer" of laundering the sheets and

sumably be taxed on the fee

A better example would be a conglomerate operating a chain easily quantifiable economic songs from enlivened birds?

aspect to this problem. Presumably employees who benefit from using their employer's spare capacity are content enough not to want to leave for a higher cash wage in a job which does not offer comparable opportunities. At the same time, an employer turning unutilised capacity into

#### Unfortunate

operated a very efficient and gets by first-class post. theoretical arm's length market car cubic capacity is that it is market price—are to be taxed, bution to wear and tear of fur- comprehensive system with which most recipients of such an arbitrary scale neither based Obviously if an airline has un-nishings and carpets. The insuron cost to the employer nor sold seats which it allows its ance company might offer its in attempting to go for overkill practical value to the employee employees to purchase at a employees the holidays it could by elaborating these tax rules an employee who has a high nominal price the cost to the cost to the cc., prestige car to impress employer of providing this tion claims. To tay employees the holidays it could by elaborating these tax rules pick up by paying the cancella- in formal legislation and by uon, mey are likely to provoke the station and whose wife has munerating employees. now substantial amount of this untax men. Instead of generating phroditic fashion of "Dear Sir was quite true) and I went on to the defenceloss." and discrimination by different runs is taxed as if the private to be taxed at 35 per cent, 50 used capacity merely going 10 more tax revenue it is likely to provoke an increasing number

It is the principles now being substantially reduced and he cost to employees has many remuneration policies.

# message

benefit. The tax changes mean ticular are the surplus capacity for charter flights must pose from their jobs, the mind chosen by Pearl Assurance as way of communicating with its staff. Some staff work in 500 district and divisional offices while others are field staff lecturers and area training officials. In turn they have to relay news to 7,000 members of

> Such topics as guaranteed nsurability benefit, the new Pearl Girl policy, and information affecting insurances on house mortgages, cars, children, families, pensions and retire-ments, which used to be covered in print, are now on Scotch AV cassettes made by 3ML

Not only is information about new policies given, but the medium is also used in training to complement courses and onthe job training. A new agent is provided with basic product knowledge which he can acquire at his own pace from the eassette and this should enable the district manager to spend more time on personal training, according to Pearl.

Introducing tape teaching to Pearl involved the purchase of some 500 cassette recorder/ players and thousands of casettes with playing times from 20 minutes upwards.

Master cassettes are recorded in Pearl's studio in High Holborn on 3M's Wollensal 2551AV visual-sync recorder which is capable of recording pulses to change projector slides automatically if required. Another Wollensak machine, the 2770AV duplicator, produces 500 copies of the master cassette at high speed-two every three minutes. The copies are then mailed to the district offices.

The first cassette issued contained instructions on the use of the cassette equipment, as well as information on the company's guaranteed insurability benefits policy. With it was a blank cassette for use as training aid. Further cassette issues are scheduled at monthly

## A system of job evaluation

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All the categories are covered in a new book. Office Job Evaluation, published to-day by the Institute (price £6, available at 205, High Street, Beckenham, Kent), the first part describing the grading system and the second part covering the different staff categories.

**EXECUTIVE HEALTH** 

## The predatory creature that comes in Spring

BY DR. DAVID CARRICK

WHAT DOES SPRING mean to There is a wider, though not you? The miracle of fresh The delicate green of daringly early trees." Or that matter to which the young man's fancy lightly turns?

All these charming facets are with us now, but other less felicitous creatures of a predatory nature also, alss, are awakening to offset the harmony and remuneration is presumably happiness offered by Nature. I able to operate on a lower refer to the death-watch beetle, wage and salary oill than he whose eeric tapping reminds might otherwise have to face me, as I listen to it in my and hence his prices should be by some distant and ghastly carlower.

and hence his prices should be by some distant and ghastly carpenter erratically hammering nails into a coffin. But Xestobium rujocillosum at his worst does not evoke The unfortunate aspect of the anxiety and even desperation employee benefits section of the as does another boring preda-Finance Bill is not that it for now in its image stage. brings benefits such as cars This is the Inland Revenue within the tax net. It was, in official who is busily tapping fact, an error of popular out chilling and inflammator; mythology to suppose that such letters concerning income tax of the jargon with which most. To her credit and my surprise benefits were previously tax, etc. which, like curare-tipped The Inland Revenue darts, are paralysing their tar-

#### Agitated

or Madam" they contain sen- to demand an apology at the tences which, if penned by one earliest.

consenting tarpayers into human to another, would be As nothing was forthcoming

was there: hints about hidden was easy. It were all in the to save them from that placesources of income—the "rea-computer"; so I suggested that where "the wicked cease from
sons to believe" incomes were she put her hand in and pulled troubling, and the weary are at being suppressed-and the rest it out.

readers must be familiar. Having calmed her down and Not only did my patient established that, with her in- receive an apology but a rebate come as an office worker, noth, of £49 into the bargain! That ing of significance could be was having jam on it; but twoowing, I offered to deal with the questions arose and Mayed in matter—an offer that was more my mind. Firstly, how much What, anyone may well ask, beneficial than a whole box of money is used to those allegely has this to do with health or pills. Being in London, natur- owing money to the Inland illness? A great deal, in fact, ally it was to the North of Revenue? C.c. prestige car to impress employer of providing this from claims. To tax employees making a number of fundamental patients and other foreign benefit is virtually all, and the who benefited from such mental changes in the bases for patients and England that I had to write, important, how many serious ones the Chancellor of the buyers, and which has to be value to the employee substantial changes in the bases for patients to be come greatly my letter opening with a state, mental illnesses are triggered arrangements on the normal assessing tax, the legislation is agitated by the type of epistle ment that I felt that they should off particles to market price of what was being I belt in large measure to be basis of taxing total remunera-basis of taxing total remunera-tion, they are likely to provoke the station and whose wife has munerating employees. How-substantial amount of this un-substantial amount of this un-Addressed in the usual herma- whole year of my work (which despatch terrifying near-threats

> actionable because of their defa- after seven days, I rang up. A matory nature, and are addition. North Country female was sur- might have said to-day: ally offensive in their clear mes- prised and protested that "it sage that the recipient is were quite a normal letter," in-The author is a consultant on already adjudged guilty unless timating that I was making a employee benefits with EBS he or she can prove innocence fuss about nothing. "Normal to their satisfaction. you, maybe." I said, "but to Not long ago, a charming one who has been chased by the only from tuberculosis which patient who suffers from re- Gestapo, it sounds very much ended her young life at peace, current psychological illnesses, like a dangerous threat," ex- untouched by came to me in a very bad way, plaining that my patient was a torturer, who, with their "quite After some evasions about rea-former war refugee. And I normal letters," cause unied sons, she produced one of those asked what had happened to the anguish to the recipients and etters. All the familiar stuff apology I had demanded. That much work for those who stree

the story had a happy ending

#### Dying queen Tennyson's dying May Queen

"I did not hear the dog howl; nor the death-watch beat, I read a dreadful letter with demands I cannot meet."

And that poor maid suffered

# The longest running show on earth?

A good waiter likes people, and

As in a theatre, he performs in

As well as getting hungry, people

Now we're very big-indeed, the

(There is a theatrical 'buzz' among the

get tired, and tense; as well as food, they

Answering these needs is an

world's largest hotel and catering group,

world, three of which are featured here.

person welcoming another. If we ever

of THE contact Peter Cunard at

But our business is about one

To learn more about the world

with over 800 hotels throughout the .

ever-renewing task. Doing it well is a

public, and seeks your response.

staff just before a big banquet.)

need sleep and entertainment.

constant pleasure.

enjoys pleasing people.



Sandra Vaughan Receptionist Lion Hotel

Shrewsbury United Kingdom Claude Guibert Manager Plaza Athénée Relais Paris, France

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RUSSIA, CHINA AND THE REST OF The Rt Hon Lord Chalfont, OBE Former Munister of State for Foreign Affairs, UK

THE COMMUNITY OF INTEREST WITH THE DEVELOPED WORLD Secretary Vicente F Paterno Department of Industry, Philippines THE RESPONSIBILITIES OF JAPAN AS

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SYNCHRONIZING INTRA-MEMBER POLICIES AND RELATIONS WITH PRINCIPAL NON-ASEAN TRADING **PARTNERS** Mr Sixto K Roxes

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DEVELOPMENTS IN INDO-CHINA Mr Somsakdi Xuto National Institution of Development Administration, Thailand

HOW INTERNATIONAL BUSINESS SHOULD LOOK AT THE ASIAN CLIMATE Mr J E Bywater

Sime Darby Holdings Limited Mr Chatri Sophonpanich Bangkok Bank Limited Mr H V Leonard

General Motors Overseas Corporation THE ASIAN OIL SCENE Ir. Eng. Trisulo Pertamina, Indonesia

FACTORS IN THE INVESTMENT CUMATE Mr Boonchu Rojanastien Formerly Minister of Finance, Thailand

The jee of £3% covers all refreshments, cocktails, lunches, to a dinners, two receptions, and conference documentation. The working language of the conference will be English.

Signed	Date	20
Please send me further details []		
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Picase register me for the ASIAN BUSINESS BRIEFIN	4G Conference	
388 Strand. London WC2R OLT Telephone: 01-	-836 5444 Telex: 27347	
To be completed and returned to: The Financial Times Ltd		

Date
Current Buxton Antiques Fair (cl. May 22)
Current London Meat Trades Fair (cl. May 19)
Current Int. Contract Frashg. & Int. Design Ex. (cl. May 20)
Today American Leisure Goods Exhibition (cl. May 21)
Today Danish Food and Drink Exhibition (cl. May 21)
Int. Safety Exhibition (cl. May 21)
May 18—20 London Toy Show
May 18—21 Surface and Metal Finishing Show
Int. Home Electronics, Domestic Appliances Exbn.
May 24—27 Audio Visual Exhibition

---- Audio Visual Exhibition Offshore Wales Exhibition and Conference Cardiff
Light Engineering and Workshop Equipment Exbn. Belle Vue, Manchester

June 1—11

June 8—10

Line 8—11

Line 8—11

Line 8—11

Line 8—12

Line 8—11

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Pavilion Gardens, Buxton Alexandra Palace Olympia

U.S. Trade Center, W.1 Bloomsbury Centre, W.C.1 Nat. Exbn. Centre, Bham Cunard Int. Hotel, W 6 Nat. Exbn. Centre, B'ham Nat. Exbn. Centre, B'ham New Horticultural Hall

Solibull Wolverhampton Royal Festival Hall Cunard Int. Hotel, W.6 Metropole Centre, Brighton London Heathrow Airport Nat. Exbn. Centre, B'ham

#### OVERCEAC TRADE ELIDE AND **EXHIBITIONS**

OTEMS	CAS	IKAL	PE FA	UK5	ANL	)
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Novi Sad Amsterdam Amsterdam Rotterdam Paris Brussels Milan Bordeaux Padua Bari Basle Thessaloniki Poznan Piraeus. Creece Dusseldorí

Pretoria

#### **BUSINESS AND MANAGEMENT CONFERENCES**

	May 19	BIM: Economics and Efficiency of Distribution
	May 24	NEDC: EEC Regional and Ind. Policy Seminar
		IPM: Pay Policy—The Impact of Govmt. Action
	May 2426	IFIP: Retailing, Banking and Plastic Money
	May 24 20	Agian Familia - Wanking and Plastic Blodey
	May 27-20	Asian Seminars: Taxation and Investment
	May 24—28	
	May 25	Institution of Electrical Engineers: Reviving
		U.K. Economy-What can Automation Offer?
	May 25	Assoc. Cert. Acc.: Current Taxation
	May 25	Inducon Group: £6 and after
	May 25—26	CBI: Strategies for Industry
	May 25-26	MES: The Practice of Credit Control
٠.	May 25-28	European Federation of Fin. Analysts Congress
	May 26-28	Orr & Boss: Selling to the Offshore Oil Market
	May 27	WTI: Manufacturing Licensing Overseas
	June 2	Henley Centre: Consumers' Purchasing Power
	June 3-4	Financial Times, Bank of Greece, Olympic Airwa
		Investors Chronicle: Doing Business with Gre-
	J. :e 3-4	
		Inst. of Work Study: Government Training Gran
	June 7—8	
	2006 1—a	Financial Times, Al-Akhbar, EgyptAir: The Mid

litution of Electrical Engineers: Reviving the Savoy Place, W.C.2 J.K. Economy—What can Automation Offer? Soc. Cert. Acc.: Current Taxation Exeter University oucon Group: £6 and after Strategies for Industry is Strategies for industry

ES: The Practice of Credit Control

Iropean Federation of Fin. Analysts Congress

The Boss: Selling to the Offshore Oil Market

The Manufacturing Licensing Overseas

The Manufacturing Licensing Overseas

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The Contro nancial Times, Bank of Greece, Olympic Airways.
Investors Chronicle: Doing Business with Greece
C: Anti-Trust Laws and Licensing
Cannes
City University
City University

ategic Management: Creativity & Innovation nancial Times, Al-Akhbar, EgyptAir: The Middle East Development Conference, Egypt the Next Five Years

June 7—11 ..... Matchett Training: Creative Design-Engineering June 8—11 ..... Urwick: Management Information Systems June 14—16 .... LCCI: Saudi Arabia & the Gulf States

June 16—17 .... Institute of Marketing: Tactical Marketing ICFC: Capital Transfer Tax and Private Business Albany Hotel, Birmingham June 20-July 16 Bradford Univ.: Senior Executive Programme June 21 .......... Canning House: Seminar on Brazil Hilton Hot June 21—24 ...... IPE: Training & Career Development for Engineers Cambridge

Preston Durham University Whites Hotel, W.2 Amsterdam Hilton Hong Kong Training Centre, Egham

Financial Times Cinema Cavendish Centre, W.1 Connaught Rooms, W.C.2 Brighton Dunehurch, Rugby World Trade Centre, E.1 Hilton Hotel, W.1

Cannes City University, E.C.1 Stratford-upon-Avon

Birmingham Centre Hotel Urwick Centre, Slough Farnham Castle, Surrey London Gloucester Hotel Bradford Hilton Hotel, W.1

## **WEEK'S FINANCIAL DIARY**

BOARD MEETINGS-

A made in the control of the control

sidering dividends and official Lower 12. Lowe division shown below is hased W.C. 11.30

mainly on last year's time-table. Sloop Estates, Savoy Hotel, W.C., 2.30, Sun Allience, Bartholomew Lane, E.C.,

TO-DAY COMPANY ME.TINGS—
Amalyamated Metal. Winchester House,
E.C. 10.
Tube Investments. Birmingham, 12.
Finals.
Takebrean Rubys,
Fighty Rapits.
Fig

diret Brenzen Birmingajim 17 19:28 Calburetter Stanniger Mindictes, 1 BOARD METTINGS— Finals from Metal Proma more Gos more Report thereign Representation
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MPANY METTINGS—
TO STIAND STATE STAT Giffelion Brown on Manchester, 12.

Gen Blue. Abeliane Room, 10

In Invition. Guarenot Huuse, Park, Andrews, West Bratton, 3.5

and William Translation B King Street, Burnated Engineering Authority, 12.

In James 1.

In James Train State Hold Park Motel 5 W. Broston Know Marks March Marks Durch 2 SATURBAY MAY 22 Note Baten Mode Park Motel 5 W. Broston Marks March Marks Durch 2 SATURBAY MAY 22 Callender (Geo M.). 100. Old Broad Callender State 5 Marks 12 Callender (Geo M.). 100. Old Broad Callender State 10 Dividender Motel W. Callender Motel W. Callender Motel W. Callender State 10 Dividender Motel W. Callender State 10 Dividender Motel W. Callender Motel W. Callender Motel W. Callender State 10 Dividender Motel W. Callender Motel W. C

BOARD MEETINGS-12 30 Winn Industries, Derchester Hotel, Park Lane W 11 Boots.
Coalite and Chromal Productions Patons.
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Pork Farms.
Portsmouth and Sunderland News
Robertson Faoot.
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Part John C. and Tudnus to provide the provided services of the provide

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SATURDAY MAY 22

## LABOUR NEWS

## Steel craft unions plan wave of protest action

BY IAN HARGREAVES, LABOUR STAFF

CRAFT UNIONS at the British makers' Amalgamation. the union at the Steel Corporation, Steel Corporation are planning a Sheet Metalworkers, the Patternwave of industrial action in promakers and the EPTU. the Iron and Steel Trades Confederation. The union at the Steel Corporation, the Iron and Steel Trades Confederation. The union at the Steel Trades Confederation are well advanced. Until the amalgamation is contogrant them full national bar would be limited to a number gaining rights for members in of selected plants and would be middle management. Intensified only if the Steel a long-standing TUC embargo on relations with SIMA.

The industry's fusal to allow bargaining rights.

committee and will now go for ordinating committees threats by the Steel Corporation recently endorsement to the executive have a long history, centred on that its claim for bargaining councils of unions involved. The acrimony with which the rights would be reconsidered if it Mr. Eddie Linton, a representative of the Electrical and Plumb tion's support for its own creations. tive of the Electrical and Plumotion's support for its own creating Trades Union on the cotion, the management association would involve non-co-operation with members of the in management at the corporation. SIMA has over 10,000 members co-operation with members of the in management at the corporation. Compared with around 700 steel committee is Mr. Bill Sirs, white collar also concerns secretary of the

BY ALAN PIKE, LABOUR STAFF

NDUSTRIAL disputes at a

Teachers promised

**Doctors make operating** 

resulted in doctors demanding labour without giving 24 hours' that operating department notice," assistants should give 24 hours. The hospital said:

notice of withdrawal of labour, recognise the right of staff to

The demand was made at a take industrial action: but meeting of unions and manage- because of the special circum-

theatre strikes protest

union backing

A decision to this enect has corporation persisted in its re-relations with Sinis.

been taken by the industry's fusal to allow bargaining rights. It is understood that the craft National Craft Co-ordinating Crievances behind the co-co-ordinating committee was told Committee and will now go for ordinating committee's threats by the Steel Corporation recently

non-TUC affiliated Steel Industry
Management Association (SIMA),
which shares with the production
workers' Iron and Steel Trades
Confederation the privilege of a
national negotiating agreement.

Selected plants

He was confident that executives of the craft unions would not jeopardise the amala disadvantage in recruiting new
back the committee's call for
action.

But the chairman of the chairman of the chairman of the committee is Mr. Bill Sirs,
which shares with the production
represented by white collar
sections of the craft unions.

The TUC-affiliated craft unions
of the amalgamation talks with
resent the favourable negatiatsituates accorded to SIMA.

They claim that this puts them at
a disadvantage in recruiting new
members and means that they
frontation over bargaining
rights
represented by white collar
also general secretary of the
ISTC and the man at the centre
would not jeopardise the amalgamation talks by risking a confrontation over bargaining
rights
for national bargaining rights

ment grades. for national bargaining rights
The unions involved are the The situation is complicated by by use, if necessary, of indusAmalgamated Union of En-the fact that merger talks trial action, as the ISTC had to
gineering Workers, the Boiler- between SIMA and the biggest do.

# Office

ALL NEW staff joining the Post THE NATIONAL Union of trolled Tameside until this Office from July 5 in grades Teachers will give full support month's municipal elections, had represented by the Union of Post to its members at Tameside, proposed to introduce a compre- Office Workers will be required to its members at Tameside, proposed to introduce a compre- Office Workers will be required Manchester, if they refuse to co-hensive system of secondary to join the union under an agree

operate with plans by the newly- education from September. New lelected Conservative local staff appointments had been made authority to hold an 11-plus in connection with the reorganisas. Shop agreements which have led examination later this month. This promise was made vester- their future schools. This promise was made vester- their future schools. The plane of the property of the dismissal of employees in two other public sector day by Mr. May Morris chairman. day by Mr. Max Morris, chairman Immediately after taking of the union's action committee, power on May 6 the Conservative organisations-British Rail and electricity supply—existing non-union Post Office staff will not be

> and cleaners will be covered by by the UPW are union members

By Our Labour Staff

Two-tier Boards rejected

## **New Post** staff must in 11-plus exam row join union

which has to approve industrial council leaders announced their union Po-action taken by local branches, intention to stop the comprehen. The Labour Party, which consider plans.

telephonists, telegraph operators the agreement. Nearly 95 per cent, of the 200,000 Post Office employees in grades represented

## **Basnett hits** back at Prior claim

The survey carried out by the management man and two-tier Boards is disclosed in a survey published to-day of originated as a "ductrinairy originated out by the furnity as a percent, claimed that eight of the Search of the Se

1975

1974

# **BROYT X4 62** Modern Used Rolling Mills, wire.

PUBLIC ANNOUNCEMENT GERMAN GOVERNMENT INTERNATIONAL 51% LOAN 1930 (YOUNG LOAN) **CONVERSION BONDS** 

The Trustee has informed the Bank of England that it is necessary to adjust the amounts payable in respect of the coupons and bonds due, on or after the 1st December 1967 in accordance with the provisions of the London Agreement on Gorman External Debts of the 27th February 1953 (Annexe 1 Paragraph 21a): 1 Paragraph 2ie)].

WANTED

PLANT AND MACHINERY SALES/WANTED APPEARS EVERY MONDAY. FOR FURTHER INFORMATION RING MR. FRANCIS PHILLIPS. 01-248 8000. Exc. 456.

PLANT & MACHINERY SALES

Price

P.O.A.

P.O.A

P.O.A

£25,500

£25,500

021-556 0904

Telex 336414

021-556 0904

Telex 336414 094-34 453F

Telex 51187

094-34 4531 Telex 51187

0902-31227

0902-31227

021-556 0904

P.O.A. Stokey 338490

P.O.A. Stokey 338490

Description

1974 Ten Stand roll forming line by

strip complete with automatic

cut-to-length equipment.

2 Stand Rolling Mill for

flattening wire and rolling

edging rolls and recoller.

narrow strip. Complete with

1) 12" x 12 " 125 HP Farmer

two high.
3) 6" x 12" x 14" x 180 HP

Stanart Mann four high. 1970 Herdieckerhoff 100 KW

Norton two high.
2) 24" x 36" x 300 HP Robertson

double vacuum annealing plant

-useful charge area 625 mm

dia x 2000 mm loading height-output 6000 lb per 24 hours.

1971 Automated 25ft Drawbench

100 f, p m and 20 tons at

5" round and square. 1971 Fully Automatic High

50 f p m. Virtually unused. 1974 Fully Automated Cold Saw with batch control for cutting non-ferrous bar. Max. capacity

Precision Circular Saw with batch control. Max. capacity

1972 Double Twist High Speed Finewire Bunching Machines

by Cortinovis.
Caterpillar 14E Motor Grader,

Cat D9G 66A 12267,

complete with new tyres. Caterpillar 966C Wheel Loader, with 3½ cu, yd. bucket and new

March 1973, 5600 hours. New track groups fitted 9's blade and

Hydraulic face shovel, 3; cu yd.

rod and tube drawing plant-

roll forming machines-slittingflattening and cut-to-length lines—cold saws—presses—

tilt cylinder. Single shank

rock bucket. Cat D333 TC

with pushpointer by Wellman-effective pull 10 tons at

Hunter-Douglas, Virtually unused. Capacity 200 mm x 2mm M.S.

(Annexe 1 Paragraph 2(e)).

The Trustee has advised the Bank of England that the question of the application of the exchange guarantee in the case of the revaluations of the Deutschemark of March 1961 and October 1969 and of subsequent currency adjustments remains unsettice. The rights of the bondholders with regard to that matter, therefore, remain reserved irrespective of whether the coupers 'maturing on or after the 1st June 1961 are presented for payment or not, and collecting agents should retain details of the holders of Comersion Bonds on whose benall coupons are lodged.

Coupon No. 47

Into Specific and Company of the Bank of England amounte. Therefore, that Coupon No. 47 due on the 1st June 1976 in respect of six months' interest on the Conversion Bonds of the above-mertioned Loan will be paid at the occural equivalent of the adjusted rate, which has been in force since the 18th November 1967, under the provisions of paragraph 3(d) of the Offer of the Februal Republic of Germany dated the 31st March 1954, support to further possible adjustment at a later date. Autopoingly, the rates applicable to interest will be as follows. CONVERSION BONDS

#### Nominal Amount of

bens Of England

NOTE —Collecting Agents (nour retain details of the holders of Bonds on whose behalf coupons are lodged.

CUMPANY NUTICES

\*Onthalt Calmiers. Royal Society's, 82nd Annual Exhibition Mall Art Gallerios. The Mall. S.W.1. Mon.-Sat. 10-5 until 19 May. Agm. 50p. PEDFERN GALLERY, PATRICK PROCTOR New Works. Peinting in Enamel. Water-ticlours Agustint Suite The Rime of the Antient Mariner 4 May-4 June. 20. Cork Street. Landon, W.1

W:Hemstad.
Curacao.
17th May 1976.
Paving Agent:
Pierson. Heldring & Pierson N.V.,
Herengrach: 214, Amsterdam. Colours Adustint Suite The Rime of the Antient Mariner 4 May-4 June. 20.
Cork Screet, London, W.1

ARTOON ORIGINALS: British Pichikal Angle And Other TREASURES IN THE PRIVATE ROOMS. Except Tuesdays. SA Gloucesser Road, 5.W.7. 01-584 2001.

## Where will the Paris dialogue

This month's meeting of Unctad 4 in Nairobi could prove more successful than its predecessors. The West and the LDCs are much closer to agreement than many people think.

Caraças—a survey

Will Caracas develop into a major financial centre? A special survey analyses the problems and potential of oil-rich Venezuela and its fast-growing capital---Caracas

OPEC countries as borrowers OPEC countries are queuing up to borrow in the Euromarkets less than three years after they

quadrupled the price of oil. An analysis of the changing fortunes of OPEC members.

#### The Banking Year—annual review

## 1975 was a mixed year for bank profits. The Germans

Swiss and Dutch did well; the Americans and British' not so well.

## BANK

Can be ordered through bookstalls price \$1.00 or direct from Bracken House, Cannon Street, EC4P 4BY Price £1.20. MAY ISSUE ON SALE NOW

"No one who works in the

hospital have theatres should withdraw his

year to year are an unreliable guide. Nevertheless it is clear from the figures of sales that during the year the collective output was higher than in the preceding year. There was a marked increase in production, especially at Hoskins. Conditions throughout the year remained difficult for the incrton companies engaged in civil engineering and building

In October, Hoskins established in London the British Hospital Equipment Display Centre. a consortium of companies exporting a variety of hospital equipment. The Centre attracts overseas buyers and is bringing encouraging results. For the second year in succession there has been a large increase in export sales by Hoskins. The profit of the group has shown a very good increase and the proportion derived from hospital equipment and light engineering has grown. DIRECTORS

Mr. S. B. Benbow and Mr. R. H. Thornley joined the board, which is fortunate in being able to rely on their respective experience in finance and production engineering. DIVIDENDS

The board recommends a final dividend of 29 pence which with the interim dividend of 1 355 pence makes a total for the year of 4.255 pence, the maximum permitted, compared with 3.908 pence in the previous year. The cover at a ratio of 3.01 remains generous. FORECAST FOR 1976

Hoskins is putting constructive effort into export markets. Trewhella, a small company, pursues its specialised export with its usual success. The Horton companies, remain profitable and could gain rapidly if there should be an improved demand for building and building supplies. On the other hand they are under-employed while Hoskins may be adversely affected later in this year by reduced spending at hospitals in this country. It can be said with confidence that the results for the first half of this year will be acceptable. The second haif might also turn out well, but is clouded in uncertainty. EMPLOYEES

These excellent results have been achieved through the skill, hard work and perserverance of the company's employees. It is a pleasure once more to record the thanks of board and shareholders to them for maintaining this company as a thriving and effective unit in British Indusery.

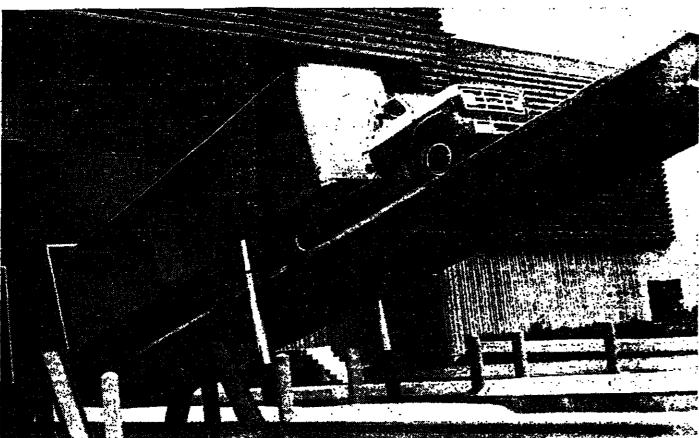
5. LLOYD Chairman May 5 1976 RESULTS IN BRIEF

£.000 5.292 €,000 7.016 Group turnover ... ... ... ... ... ... ... Group profit before taxation ... ... ... ... 649 2.234 2,614 Net assets employed ... ... ... ... ... ... Profit before loan interest and tax as percentage of net assets 22.7 employed . . . . 25.6

20.6p Earnings per oreinary stock unit. Before taxation ... 9.7<sub>D</sub> After taxation . ... . ... 4.255p 3.908c 29.77 3.01 Cover for ordinary dividend (times) .... ...

# The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS



This is how the mail is delivered in just one section of the Gateway bulkhandling plant in the Metro postal district of Toronto, Ontario. The Gateway postal facility on a 73-acre site, on which work is still progressing, occupies 27! acres, all under cover, and will eventually handle 50 per cent. of Canada's mail. Cost of the plant is estimated at SC90m. When fully operational the plant will

employ about 2.100. Apart from parcels, it will handle 31m. letters a day. Mail sorting is controlled with the aid of a graphic display board by two-way radio. TV monitor and detectors at the truck docks which indicate arrival of trucks. Up to 200 tractor trailers can be accommodated at any time and eight fullyloaded tractor-trailers can be unloaded in an hour by hydraulic lifts (as shown

here) which raise the vehicles to a 40 degree angle. Of the 20.7m, items of mail which originate across Canada daily. 1.1m. originate in the Gateway letter processing plant's own Toronto postal area. By 1984 it is reckoned the plant will handle 122,000 bags of mail anywhere daily. There are 1,200 conveyors with a total lenth of 8; miles and there are 1.150 mail carts which are towed by 3,000 feet of in-floor "drag line."

#### • COMMUNICATIONS

# Phone calls

## while her boss makes the next. Alternatively the user can pall Directional Alternatively the user can "re-cap" on an earlier call while making, and recording,

#### BANKING

## Speeds the passing cheque

SORTING of cheques in the big banks is one of the most critical operations in the banking day and the branch requirement that cheques returned to them be HANDLING presented in semai number order within account number order imposes the need to apply as many as 13 passes of the cheques through the central computer trilete

department's reader/sorters.

Of considerable interest to the banking fraterative therefore is a development at Northern Bank. largest of the four clearing banks in Northern Ireland, which will ASEA has added two new bathors. SPL International markets generally allow the number of tery-powered forklift trucks to were developed by ICL passes to be reduced to as few its industrial truck programme.

generally allow the number of passes to be reduced to as few its industrial truck programme.

The basic software used in the processing and a wheel arrangement that through which each cheque on its independent on the market. The other model first pass through the readers is identified and an optimum routing established for it, taking advantage of the natural order in which the documents are presented.

The basic software used in the basic industrial truck programme.

One of these, model GME 50, at 12, Windmill Street, London, at 12, Windmill Street, London,

is about four times the staggering of each string with respect ment and Control Systems, Buildto the next, with a certain ing 22 East Midlands Airport, amount of overlap. By sequence Castle Donington, Derby DE7
ing the four strings the whole 254.

control for the operator.

The unit has a solid, accurately ground base on which is mounted a square, vertical pillar carry-soften coiled strip steel, after cold rearriage accommodates the standard LK probes, including eylinder, taper, ball, half cylinder, quarter cylinder, scribing colfs, optical devices, dial indigentation mounts and any special probes required.

Peter Cartwright which is mounted in RTL/2.

Function of the plant is to soften coiled strip steel, after cold rolling, by heating and cooling the coils under tightly controlling to conditions. The Hoogovens annealing plant operates in separate halves: each will be controlled by its own DEC PDP11/40. The system functions will include temperature control as processing equipment.

# trucks of

PETER CARTWRIGHT well as aiding the menual acheduling of the various plant equipment. This will bring sav-ings in conventional instrumenta-

## capable of being used anywhere from ASEA, Harland Finds track in a factory and which can easily be turned into a multi-axis measuring machine simply by the first property of th flaws more quickly

while making, and recording, another.

The machine needs to be back. The machine useds to be back an earlier all than the last, by holding for roads in the earlier ones are areas the persions of the earlier ones are areas the nour of recordings button and the machine will contained at the total can be can be examined. As secretary can be the earlier ones are erased in the total can be producted and the publicity industry is a system button and the machine will contained a fight of the earlier ones are erased in the total can be produced at the total of a control box and the publicity industry is a system button and the machine will contained a fight of the earlier ones are erased in the total can be locked and rippling can be produced, and rippling can be produced at any position with a sine and rippling can be produced at any position with a sine and rippling can be produced at any position with a sine and rippling can be produced at any position with a sine and rippling can be produced at any position with a sine and rippling can be produced at any position with a sine cording to a control box and has highway authorities and to the position with a sine and rippling can be produced at any predetermined dimension and land, has commissioned Raidian the leight measurement and land, has commissioned Raidian than the last, by holding and rippling can be produced at any predetermined dimension and rippling can be produced at any predetermined dimension and produced any predetermined and rippling can be produced at any predetermined dimension and produced any predetermined dimension and land, has commissioned Raidian the last, by holding and rippling can be produced at any predetermined dimension and be recalled.

\*\*Call-Check is connected to the telephone calls and the leight and secretary can be produced any predetermined and rippling can be produced any predetermined dimension and land, has commissioned Raidian the leight and secretary can be produced any predetermined dimension and land, has commissioned Raidian

AWARD WINNING NORGREN PLUG-IN-SYSTEM

PROCESSING EQUIPMENT

scheduling of the vacuus possessed and sequipment. This will bring savings in conventional instrumentation, and greater throughput will system aimed at eliminating the filming of ultrasonic aignals in favour of recording them on magnetic type. In the new will consist of a tabular display system a vital defect will be marked by marked marked by puint on the track a the train passes over.

# markets • MATERIALS

A FURTHER means of preventing the build-up of static electricity and consequent damage due to its discharge through sensitive seniconductor devices is offered by Dage Intersem.

This is a range of anti-static clothing which, instead of using the usual conductive plastic sheeting is made from a pliable polyester/cotton fabric containing fine strands of stainless steel.

suitable for use in ports and continuer terminals.

These identities or images are also used to amend subsequent images should a cheque fail on a subsequent pass for one reason or another.

Equipment includes a B3700 computer and cheque sorters to at out of about 2500,000 and implementation has taken place only a year after the equipment was ordered.

INSTRUMENTS

INSTRUMENTS

INSPECTIONS

Suitable for use in ports and continued terminals. But truck models have also have served steering the usual conductive plastic the driver to adapt the speed thyristor control, which enables Ferry Company, which annually transports over 150m, people, implementation and space available, the situation and space available, situation and space available, situation and space available, the situation and space available, situation and space available, the situation and servo-assisted braking.

An adjustable sprung seat, the craft is a HM2 mark 4 watery of sizes for both men and servo-assisted braking.

The craft is a HM2 mark 4 the soft, launder-sidewall hovercraft, costing about £300,000 and being built for some of the craft will be delivered in July.

Longer than the standard promotion of the situation and servo-assisted braking.

Batteries are mounted on runners and can be changed quickly and castly by one person and battery drive and wheel a

# lathe

HYDRAULIC operation of three tool slides, turret slides and collet chuck, is a feature of the Copmatik 45. This 45 mm. capacity automatic capstan lather introduced by Hersman Brothers. capacity automatic capstan lathe introduced by Horsman Brothers (Machine Tools). Dittons Road, been using an ultrasonic test Polegate, Sussex BN26 6NE train to examine track for hidden flaws or minute cracks that might eventually grow to produce a rail fracture.

#### CONTRACTS AND TENDERS

#### UNITED ARAB EMIRATES

Ministry of Electricity and Water P.O. Box 1672, DUBAI

The Ministry of Electricity and Water for The United Arab Emirates invites Tenders for the following works:-

Tender No. N425! Specification No. N21.6/1379 Desalination Plant of multi-stage flash design at the federal power station to be constructed at Hamriyyah near Umm Al Quwain. The plant will consist of three lines each of 13.640m per day capacity including all mechanical and electrical plant and equipment but excluding civil engineering works. Steam and electrical power will be provided by others.

Applications for Tender Documents should be made during normal office hours at the Ministry's offices in Abu Dhabi or Dubai in the U.A.E. or at the U.A.E. Embassy in LONDON. Only Tenderers who have engineered similar installations in excess of 2.500m<sup>2</sup> per day which are already in service will be considered. Each tender fee is Dirhams 2,500 if collected in the U.A.E. or 300 pounds Sterling if collected in London payable in cash only and is now refundable. Tender Documents will be available from 2026 May 1072 to 1072. 24th May, 1976.

Tenders must be valid for 100 days.

Tenders must be accompanied by a Bid Bond in the form of an unconditional Bank Guarantee of DH 8.000,000 (8 million) valid for 130 days. The successful tenderer will be required to replace this with a Performance Bond equal to 10 per cent of the total Contract Sum for the period of the Contract. The Tender Documents must be complete and submitted in quadruplicate. Each copy shall be enclosed in a plain envelope not bearing any indentification of the Tenderer and marked only on the outside with the Tender number and title 'Desafination Plnat'. Four copies shall be addressed to:-

> His Excellency The Chairman, The Permanent Committee for Projects, Ministry of Planning, P.O. Box 2847, ABU DHABI U.A.E.

Tenders must be received not later than 17.00 hours on 22 August. This advertisement is a complementary part of the Tender

It is important that the plant is in commercial service as early as possible in 1979.

Abdulia Bin Humaid Ai Qassimi

## "BIOKTOS" Public Services Enterprise—Titovo Uzice

#### Yugoslavia ANNOUNCES

INTERNATIONAL COMPETITIVE BIDDING FOR THE CONSTRUCTION OF WATER SUPPLY SYSTEM FOR TITOVO UZICE

- Tender No. 1-Civil Engineering Works Supply and installation of 12 km. steel pipeline, 650 mm. dis. for raw water conduit from Vrutci dam to the town of Titovo Uzice. Supply and imstallation of 10.5 km. main steel pipeline for potable water distribution, 450-600 mm. dia.
- Supply and installation of 6.5 km. distribution network of potable water, as follows: 1.5 km. steel pipe of 9 200-400 mm. dia.
- 5 km. asbestos cement pipe of 150-400 mm. dia. Construction of the structure for a water treatment plant having a capacity of 800 lit. fact. Construction of 7 reinforced concrete reservoirs (water tanks) with capacities varying from 500 m- to 2,000 m $^{\circ}$

The construction period is expected to be from September 1, 1976, until December 1979. December 1979.

"Biology" has applied for a loan from the international Bank for Reconstruction and Development toward the cost of water supply and wastewater project for Titovo Uzice, and intends to apply the proceeds of this loan to eligible payments under contracts for which this invitation to bid is itsued. Contractors may submit offers for one, more or all of the five items in the Tender. Tenders may be submitted by experienced civil engineering contractors from Yugoslavia and from member countries of the IBRD and from Switzerland. Tender documents can be obtained from "Bioktes" Public Services Enterprise—Titoro Uzice, Ui. Marsila Tita No. 26 or from the engineering considerat volvode Misica 43 (for foreign tenders), beginning May 1, 1976, for non-returnable payment of Din. 2.500.

The closing date for submission of cenders is July 1. 1976.

SUDAN RAILWAYS STORES DEPARTMENT Contract No. 4949
SUPPLY OF ONE PILOT LAUNCH DETAILS Railways Atbara Invites

of One Pilot Launch.

Prices 'should be outsted on both 6.0 8, and C&F Port Sudan basis and tenders must be valid for three marks from the closing date.

Tenders must be submitted in quadrapicatel accompanied by not less than 2% deposit of the total value of render either by certified cheque or Bank letter of Guarantee valid for 6 months from closing date ibearing the appropriate Samp duty, which amount is refundable to unsuccessful tenderers. Successful tenderer may be required to complete deposit to 10% or the appropriate the cheque or irrevocable Bank letter of Guarantee valid until satisfactory completion of contract. This amount is hable to confiscation in part or full in case where the contract is a to abode to any condition of the contract. This amount is hable to confiscation in part or full in case where the contract is a to abode to any condition of the contract. Tenderers are requested to ensure by their own means that their tenders are received in the office of Controller of Stores Atbara directly with cooles to their local algebra if any) not laive than 12.00 hours moon on Saturday. 28th June, 1976 in sealed and stamped envelopes by tenderer's own stamp immersed on the red wax marked "Tender for supply of One Pilot Launch. Contract number is to be written in block letters on the envelopes. All tenders shall be opened publicly at the prescribed place, date and hour and time bread or not accompanied by a deposit will not be considered. If the contractor shall fail to complete the launch in all respects in accordance with the contract with in the time for completion thereof set out in his tender, the contractor shall pay to the Rallways the sum of 4% of the F.O.B. price for the launch as liquidated damages for such failure for every complete month which shall elabase between the time set out in the tender or any extended time approved by the Rallways and the date of completion, such liquidated damages shall not exceed the sum of 10% of the F.O.B. price for the Launch.

Sudan Rallways Corporation has r

price of mage in the currency of the country from which the goods manced by its credit are acquired if the price is stated in other currencies.

8. PAYMENT

9. PA

#### Republic of Philippines NATIONAL POWER CORPORATION Manila April 26, 1976

INVITATION FOR PREQUALIFICATION TO BID All parties interested to bid for FURNISHING AND ERECTING COMPLETE (TURN-KEY BASIS, EXCEPT FOR THE SUPPLY OF SOME SPECIFIED MATERIALS) THE 230 KV 3-PHASE TRANSMISSION LINES (4-CONDUCTOR BUNDLE PER PHASE) OF THE DOLORES-SAPANG PALAY LINE, LUZON ELECTRIFICATION PROJECT, LUZON, PHILIPPINES, are invited to prequalify for the subsequent bidding thereof.

In this connection, four (4) copies of the CONFIDENTIAL STATEMENT FOR DETERMINING PROSPECTIVE BIDDER'S RESPONSIBILITY FORM, including the Project Highlights and Bidding Guidelines, are available for issue to each interested party at the office of the National Power Corporation, 161 Bonifacio Drive, Port Area, Manila, Philippines. Prospective Bidders must submit, in quadruplicate, to the Bidding Officer of the National Power Corporation their prequalification confidential statements in the form furnished, duly accomplished and complete with all supporting documents required, on or before July 9, 1976. The National Power Corporation will not be responsible for rejection and/or failure to each or will not be responsible for rejection and/or failure to act on prequalification confidential statements received later than the date set herein for their submittal. No bid will be accepted from parties who have not been previously prequalified for such bidding.

For the information and guidance of these concerned, the National Power Corporation proposes to utilise a portion of the proceeds of the credits and/or loan received from the International Bank for Reconstruction and Development (IBRD). for payment of foreign cufrency cost under the contract for which the bidding will be held. Participation will thus be limited to contractors from the Philippines, member countries of IBRD, and Switzerland.

Additional information will be furnished upon application.

Address all communications to "The General Manager.

National Power Corporation, 161 Bonifacio Drive. Port Area. Manila. Philippines. C. D. DEL ROSARIO. General Manager.

## KINGDOM OF MOROCCO

Ministry of Commerce, Industry, Mines and Mercantile Marine

Société Nationale de Sidérurgie (SONASID)

## INTERNATIONAL NOTICE **OF PREQUALIFICATION**

A. First List

The Société Nationale de Sidérurgie intends to construct an integrated steelworks which will be located in the Province of Nador on the Mediterranean Coast, the capacity of which will reach one million tonnes of liquid steel in the first phase, for the production of billet, rod, bar and section.

It is anticipated that commissioning of the steelworks will take place at the beginning of 1980. The steelworks is being divided into various sections, the allocation of 'turnkey contracts—civil engineering excluded' for each section will be made after issuing enquiries to prequalified contractors.

This notice relates to the following sections:

Reference	Section	Required Production	Date of Call for Tenders	Date of Commis- sioning
A1	Blast furnace	3000 tonne/day approx. 900000 tonne/year with casting machine and torpedo ladles.	1st September 1976	June 1980
A2	Rod & bar mill (excluding building)	Continuous high speed mill 2 strand operation. Production: 350000 tonne/year	1st September 1976	Nov. 1979
А3	Merchant mill (excluding building)	Continuous mill capable of 2 strand operation. Production: 500000 tonne/year	1st September 1976	July 1980
A4	8.0. steelplant	2 convertors rated at 100 tonne each	1st October 1976	July 1980
A5	Con- tinuous Casting	3 machines with 6 strands each capable of casting billets 115 and 127 mm square section	1st October 1976 -	July 1980

Notices will be issued at a later date-for other sections.

The financing of the equipment and services will be made from the following sources

as necessary: 1. SONASID funds

2. Buyer credits available in some countries, and granted by financial organisations to assist exports.

3 Credits granted by international development banks.

Interested contractors are invited to write to: Monsieur le Directeur General, Société Nationale de Sidérurgie.

16 Rue Abou Inane, Rabat -- Maroc. Telex: 317.21 M before 31st May 1976 indicating the reference number(s) of the section or sections in

which they are interested, in order to receive the appropriate prequalification documents accompanied by a questionnaire.

The completed questionnairs, returned within the specified time limit, will be used for compiling lists of prequalified contractors who will be invited to tender.

## HELLENIC REPUBLIC

MINISTRY OF NATIONAL EDUCATION AND RELIGION

**ANNOUNCÉMENT** Repeat International Tender for the Supply of Educational Equipment and Special Furniture

3. It is hereby announced that a repeat International Tender will take place on the twen-tieth (20th) day, of the month of August, of the year 1976, for the supply of Educational Equipment and Special Furniture for the five Higher Technical Education Centres (HTEC) in Athens. Thessaloniki, Larisa, Patras and Herakleion (Crete).

The estimated cost is six million five hundred thousand dollars (\$6,500,000), that is two hundred twenty sever millon five hundred thousake drachmas (Drs.227,500,000): This amount will be covered in part by a portion of a loan contracted between the Greek Government and the International Bank for Reconstruction and Development (IBRD).

3. Suppliers from IBRD member countries and Switzerland may enter the Tender. Sup-plier prequalification is not

4. Interested suppliers may obtain further information by applying at the Offices of the Educational Projects implementation Directorate. Is Metropoleos Street, 6th Floor, Athens, Greece (Tel. No.: 3237-336), on days and hours the Ministry is open to the public, and at the Greek

# CONTRACTS

Appear every YACINOM Rate £10 per Single

For further information. ROSEMARY ANDREWS

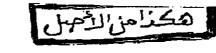
- 01-248 8000 Ext. 465 ....

Column Centimetre

## SAUDI ARABIA

Government tenders published daily in ARAB NEWS, 520di Arabia's first English-language newspaper.

Subscriptions and advertising: 6/7 Gough Square, Fleet Street. London EC4 - Tel: D1-353 2266



# J Building and Givil Engineering

## £11m. for Bahrain housing

tor Addulla Ahmed Nass.

This brings the total value of

This brings the total value of Consulting engineers are work being carried out under N. D. Lea and Associates and Middle East contracts awarded Trintoplan Consultants. to Tarmac in the past two months to nearly from

Under the latest contract work is starting shortly on 205 two-bedroom bungalows, 215 three-bedroom and 80 four-bedroom houses at three sites—Hidd, North Arrad and Muharraq.

Specially designed for the Gulf area, the system-built precast-concrete homes include a family room, kitchen and a Mailis—a room, kitchen and a Majlis—a room set aside for men. The SIX months after handing over Lothian. The three-storey build-three- and four-bedroom houses the Cascade Waterworks, Kier ing will provide 25,000 square each contain two bathrooms.

Up to 200 workers are ex- the f4.4m, first contract on the form an extension to an existing the false.

road improvements over a total chelles Government for the pro- the British Airports Authority, of seven miles between Port of lect. is valued at £650,000 and comof seven miles between Port of ject.

Four new bridges will be built and two existing bridges are to be demolished. Two viaducts, one a 28-span 1,860-foot long structure and the other a 14-span 950-foot bridge will be constructed and repair work is awarded a £2m. contract to constructed and repair work is awarded a £2m. contract to constructed and repair work is awarded a £2m. contract to constructed and repair work is awarded a £2m. contract to constructed and repair work is awarded a £2m. contract to constructed and repair work is awarded a £2m. contract to constructed and repair work is awarded a £2m. contract to constructed and repair work is awarded a £2m. contract to constructed and repair work is awarded a £2m. contract to constructed and repair work is awarded a £2m. contract to construction, are extensive services installations comprising foul drainage, taken to the contract to construction.

tion of three major intersections Authority, Eastern Division. TARMAC International has won and two pedestrian bridges, plus s contract in Bahrain worth over several embankments and cul-film, to build 500 homes in a verts, A section of the St. Joseph joint venture with local contrac- River will have to be cleared, excavated and realigned.

Housing.

Housing.

in the Scychelles.

Preparations are being made for an immediate start on the three year contract. An earth fill dam on the La Gogue river north of the capital Victoria is the main work, with a draw off tunnel and an 8 km run of 450 mm diameter ductile iron nine leading to the existing dam

in the Scychelles.

Preparations are being made £2½m.

awards

the main work with a draw off tunnel and an 8 km run of 450 mm diameter ductile iron nine leading to the existing dam

FOAD JOB

A BIG road job is to be undertaken in Trinidad by Higgs and Hilling to The fam of the Las Gouland), formed two years avarded by the Government of Trinidad and Tobago Ministry awarded by the Government of Trinida and Tobago Ministry with East and and Sons, constitute of Works, Highways Division, and will involve construction of Works, Highways Division, and will involve construction of Works, Highways and extensive water supply scheme find houses at Several sections of dual three-engineers to the Crown Agents who are representing the Several sections of dual three-engineers to the Crown Agents who are representing the Several sections of category will a ministry to the source of the Crown Agents who are representing the Several sections of dual three-engineers to the Crown Agents who are representing the Several sections of category will be in sequenced by the existing dam at Rochon to the south.

The dam on the La Gogue will be handed over in the same complex will be handed over in the support of the production of several sections of the existing dam at Rochon to the south.

The dam on the La Gogue will be fast on the La Gogue will be handed over in the support of the dam of the La Gogue will be handed over in the support of the dam of the La Gogue will be handed over in the support of the dam of the La Gogue will be handed over in the support of the dam of the Lamber of the production of several sections of the existing dam at Rochon to the estation of the several section of several section of several section of the statishing on the data that the first time the method separate and bleck of shops and the statishing on the large and small in establishing on tracts, together worth about to be started or incorporate the first in the same complex will be for sale until set the first task, together worth about to be started or incorporate the first subject of the fall to the first subject of the crown and the first subject of shops and cares of production is should subject the first subject of the full hy

£2m. water

to be carried out on an existing struct a large covered reservoir

pected to be engaged on the two- La Gogue scheme, the third stage Government building in Whit- for year development, commissioned in an overall water supply burn Road, just off Bathgate's at by the Bahraini Ministry of scheme for Mahé, the main island main road.

Housing.

We have the supply burn Road, just off Bathgate's at har hard the supply burn Road, in the Seychelles.

the main terminal access route from the Dyce/Crainstone link road, and an open air car park

pumping main, surface water CLIXCOY CI drainage, Post Office ducts, NOTTINGHAM OFFICE of

## capacity of 18m. gallons. Laing has also won a £562,000 contract to build new Government offices at Bathgate. West shops

CONTRACTS valued over £1.3m. for housing, schools and shops at Oldham and Bolton, Lanes, have been awarded to Styles and

Two of the contracts are for Oldham Metropolitan Borough. one for extension and interior remodelling of Havenside Replacement School (£125.147) and the other for 76 dwellings to A HEALTH centre is to be built complete the first phase of a at Welch Way, Witney, by D. C. redevelopment scheme at Water-loo Street, Oldham (£628,149). A Regional Health Authority. This is one of several contracts and block of short This is one of several contracts. The medium-sized BK75 is a TO DEMONSTRATE publicly for fully hydrostatic naver suitable the first time the methods used.

## Wimpey in housing and

struct a large covered reservoir drainage. Post Omce ducts. NUITENDRAM OFFICE of at Raywell, North Humberside. Electricity Authority ducts and a George Wimpey has taken a film contract to build 168 dwellings for the Yorkshire Water main.

The BSC contract, worth filem. The Derigate Housing society. No fines houses, traditional FIRST MAJOR contract for the mediately.

The company is a public works contracting and quarrying organisation operating from a centre between Perth and Inverness. As such it is a valuable adjunct to the company's opera-

# ood. Two of the contracts are for £2m. Worth

## Costain's £30m. tower

BANK FACILITIES, shops and cladding and aluminium win offices are to be erected under dows. massive £33m, project Costain Australia has been commissioned three basements with parking to build for the State Bank in space for 250 yehicles. Main

168m, soaring above surrounding 19 lifts serving upper floors. bank as well as banking cham-teets for the project are bers, arcades and a glass-roofed Eggleston Macdonald and gallery of shops, providing more Secomb, structural engineers than 2,790m. of accommodation. Irwin Johnston and Partners

entry to the tower will be The project will be dominated through a covered plaza at street by a 41-storey tower rising to level. The lift lobby will have buildings. It will house the head Work has begun and is due office and main branch of the for completion in 1980. Archi-

Beneath the centre will be

Construction of the complex Pty. Specialist services have pressure is being put on local is reinforced concrete and structural steel with polished precast and Partners.

the mainly concrete structure, surveyors are Retach Hall Blyth ties.

wo-thirds of which will be underground with the remainder concealed by landscaping.

The contact includes laying of about 1600 square for about 1600 square field water main to connect Raywell to the existing Keldgate well to the existing Keldgate reservoir which has a storage structure.

\*\*Situated at Prior Meadow.\*\*

Situated at Prior Meadow.\*\*

Worth £22m. the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the contract has regarding the sub-contracting of being maintained for a period of the c

Blaw Knox tions in an area where vast North to produce Sea projects are taking shape. new pavers

BLAW Knox of Rochester, Kent

gallons and will become the terminal storage reservoir of a new water supply scheme serving the division.

About 130,800 cubic yards of excavation will be required for the mainly concrete structure, the mainly concrete structure and the sugar factory at machinery will be sugar processing plant and the sugar p

the year, and it is expected that amounted to 400 mm. it will be available for sale early in 1977.

# Experiment

construction, the work at Corby is of great interest. It has been undertaken with commendable thoroughness and could almost serve as a pattern for similar

The dynamic Group in the

building business...

**TERRAPIN** 

Tel: Millon Keynes (0908) 7497 L.

chley, Millon Keynes, MK1 IJJ.

when the average settlement

The third method involved dropping a considerable weight all over the site from a given Blaw Knox is a member of the all over the site from a given Babcock and Wilcox Constructheight. The work is derived from a French patented method of ensuring that a given site will bear pre-determined loads and it is not possible to give a meaningful settlement figure.

No special precautions have been taken in the design of the houses—each site has taken six of them—and it was decided from the outset that private developers' ordinary houses would meet the needs of the experiment. Wilcon Construction



#### CONTRACTS AND TENDERS

SUDAN RAILWAYS STORES DEPARTMENT CONTRACT NO. 4558 SUPPLY OF FENDER AND CARGO PONTOONS

OPERAINS
OPE

national Development Association mat require that payment of the contract price be made in the currency of the country from which the joods financed by its credit are acquired if the price is stated in other currencies. Payment?

By means of a letter it credit opened on a commercial Bank in the Supplier's country. That commercial Bank will be reimbursed directly by the Instranational Development Association upon a guarantee to be issued to the commercial Bank on our request. Payment would be 10% on order, 25% on delivery of materials to tabricator, 25% on shomenet with balance on delivery. Tenders should bear the app: private stamp duty which is operable at all all post offices throughout the country at well as Sudantee (Imbasies abroad, U. & tenderers to seed value of stamp duty of Sudantee (Imbasies abroad, U. & tenderers to seed value of stamp duty of Sudantee (Imbasies abroad, U. & tenderers to seed value of stamp duty Act are as specified below—Tenders receding its 250,000 mins.

Tenders we receding its 2500,000 mins.

Tenders exceeding its 1500,000 mins.

Tenders receding its 1500,000 mins.

All conderes alogiid state the following information:

In Name and full address of locs agent through whom the deal will be conditions ind processors of the cast act when required.

In Price of Commission or remaineration due to the Local Agent (In Tenders and Commission of locs agent through whom the deal will be conditions independence of the cast act when required.

In Price of Screen is not bound to account the required.

—Seccifications AND DRAWINGS AND BE EDUGHT AT E11.03 FROM THE SUDAN COVERNMENT PURCHASING AGENT. 3-5 CLEVELAND ROW, ST. James S, London S W.1.

## buildings SINCE THERE is little written information to guide designers

Guide to

blowing up

and users of air supported struc-tures. the British Standards Institution has brought together the current information and has published DD 50. a draft for development mainly aimed at encouraging feedback from users so that a definitive British Standard can be written as soon as possible. BSI defines an air supported

structure as "a space-enclosing single skin membrane anchored to the ground and kept in tension by internal air pressure so that it can support applied loading." Initially used for warehousing supported structures are now being used more ambitiously for general purposes. At Milton Keynes, for example, there are

five authouses used as cafeteria, library, laboratory, conference house and machine shop/stores. DD 50, which is available from BSI Sales Dept., 101 Pentonville Road, London N1 9ND at £3.10, givos recommendations covering the design, construction, operation and maintenance of singleskin air supported structures; it deals with complete structures and with specialised components.

## Pipeline in Sussex

HOLLAND Hannen and Cubitts (Civil Engineering) has been awarded the contract for a £1.5m. trunk water main between Barcombe and Horstead Keynes for the Mid-Sussex Water Company. The work forms part of the company's Ardingly water

Cubitts will be laying 17.5 km. of 800 mm diameter ductile iron concrete-lined pipes and reinstate ing the land along the route of the pipeline.

Work will begin in June and the pipeline will be fully opera-tional in September 1977.

The Construction Industry Research and Development Association (CIRIA) has awarded a research contract to consulting engineers J. D. and D. M. Watson to produce recommendations for a produce of professor of the state and a range of preferred sizes and shapes of process units for use in sewage treatment works.

 A. F. Budge (Contractors) has been awarded the £1.4m. Bury inner relief road contract by Bury Metropolitan Borough Council acting as agent for Greater Manchester Council. The work, due for completion in July next year, calls for the construc-tion of 1 km, of dual carriageway. Included in the contract are three

 Mears Construction has been awarded a £616,000 contract to erect 47 dwellings in four blocks at the Pier Road extension. Newham London, for the GLC Department of Architecture and Civic Design.

 Ward Asheroft and Parkman (Nigeria) in association with C. O. Idowu and Associates, have been appointed by the Federal Ministry of Works, Lagos, to study the feasibility of a highway from Auchi to Idah and Nsukka to Oholo. The road, total length 200 km., will cross the River Niger at Idah,

## roads before roadsters...

If you are a motorist, you will probably have driven along a motorway or highway constructed by Cubitts. Roads, bridges, by-passes, under-passes, flyovers, roundabouts ... Cubitts build them all, at home and overseas. Just as the 1.8 miles of dual three lane highway at the London end of the M3, with its half mile elevated structure two flyovers, river bridge and two footbridges, is Cubitt built, so are hundreds of miles of highway in Nigeria.

Cubitts' construction capacity is universal. Road building is only one aspect of the company's huge construction programme. At the same time, it is busy with housing developments, schools, universities, hospitals, office blocks, factories, industrial plants, water and sewage works, air terminals, power stations and reservoirs.

With major contracts completed, nearing completion, or just beginning, in New Zealand, West Indies, Africa, the Middle East and in the United Kingdom, Cubitts continue to expand in the contracting world.



Known in any language às international builders and civil engineers

## المركبات الطرق قبل

سوا ً كنت سائقا أو راكبا فلابد أن تكون قد مررت بأحد الطرق العامة أو طيرق الا وتوستراد التي تم انشاؤ ها بمعرفة شركة كيوبتس وسترى أيضا طرقا وكبارى وممرات جاتبية وتحتية ومعابر فوقيــــ وميادين . . . وهده كلما قد شيدتسا كيوبتس ، سواء د اخل المملكة المتحددةأو فيما وراء البحار. وكما أن نهاية الطريق ام ٣- من ناحية لندن بما تتضمنه مـــن ثلاثة معابر فوقية وجسرعلى النهـــــ وجسرين للمشاة وجدار حاجزيصل طوله الى ميلين ونصف ميل تقريبا كانت كم\_ من عمل كيوبتس ، فكذلك كانت مسات الأميال من الطرق العامة التي تم شقها

ويمند نشاط شركة كيوبتس في مجـــ الانشاء الى نطاق العالم كله . بلان بناء الطرق ليس سوى جانب واحد من جوانب البرنامج الانشائي الضخم البذي



تتولاء الشركة . وفي نفس الوقت تقومالشركة بتنفيذ مشاريع للاسكان ،ومسسدارس، وحامعات ، ومستشفيات ، وعمارات للمكاتم ومصانع ، ووحدات صناعية ، وأعسال لا مدادات المياه والصرف ، ومطارات، ومطات لتوليد الطاقة وخزانات .

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## THE GOVERNMENT OF THE STATE OF BAHIA

State Secretariat of Mines and Energy Co-ordinating Commission on Works of Port of Aratu-Copar Bulk Liquids Terminal

#### International Public Tender No. 01/76 - COPAR

#### Announcement

The President of the Tenders Committee, by designation of instruction 33/76, publicly informs the interested parties that the final date for receipt of proposals relative to the above tender (01/76-COPAR) has been extended to June 3rd, 1976, at the previously published address and bour. The tender refers to the contracting of manufacturing, delivery and erection of loading arms for moving bulk liquids through the Port of Arata. The President informs the minimum capital requirement for participants in the bidding has been altered to CR\$ 12,500,000.00 (twelve million five hundred thousand cruzeiros). The conditions of and alterations to the invitation captinue at the disposal of the interested parties at the offices of COPAR, Port of Aratu, Candeias, Bahia.

The interested parties may obtain further information, if required, directly from COPAR or through Caceb-Companhia Auxiliar de Empresas Eletricas Brasileiras-Avenida Rio Branco, 135-11th floor. Rio de Janeiro-RJ.

THE COMMITTEE

Head Office Editorial & Advertisement Offices: BRACKEN HOUSE, CANNON STREET, LONDON ECAP 4BY Telephone Day & Night: 01-248 3000. Telegrams: Finantimo, London Telex: 886341/2, 883897 For Share Index and Business News Summary Ring: 01-246 3626

MONDAY, MAY 17, 1976

## Equality in the air

changed. And the justification, it five years time. according to the French, is that In seeking an agreement with Europe, after talking about it the U.S. these factors ought to

per cent. of the airliners in the European Airbus, for example non-communist world are sup-plied by the big three U.S. pro-inferior to an American producers. The French response to duct and, indeed, it may be that this has been to begin negotiations on joint programmes with each new project will no longer the American companies. Yet, whatever the attractions for the French, there are also wider the Americans have scored has taken into account before any definitive agreement is reached. concerns hargaining power and where the Europeans have failed partnership.

Franco-American deal Airbus would be very badly received in the rest of Europe. It would smack of that perfidy of which mained outside the deal. More-

the American giants. Although between equals.

industry, has talks with the dominance itself has its draw-President of Aerospatiale this backs: it means that the U.S. week, he is likely to ask how companies are heavily depenway, but not so far that which, according to U.S. esti-

for many years, has singularly give Europe considerable bar. Although failed to produce an aerospace gaining power. The Europeans appointed that the policy which industry of its own capable of could point out that if they is to run for 12 months from competing with the Americans. entered joint projects, there August I is so indexible as to would be a very strong chance allow little or no scope for bought by their own airlines. It intends to press ahead with The European failure is indisputable and can be illustrated by one simple statistic: over 90 per cent of the airliners in the marked technological lead. The been in the length of their pro-One is political, and another effect on costs. That is exactly case for co-operation.

Taking all these elements first six months of this year. together, it is clear that Europe the British. It would suggest more equal partner than the that they were unreliable partners with an eve for the main chance, and that they were and that they were unreliable partners with an eve for the main chance, and that they were unreliable partners with an eve for the main chance, and that they were unreliable partners with an eve for the main chance, and that they were unreliable partners with an eve for the main chance, and that they were unreliable partners with an eve for the main chance, and that they were unreliable partners with an eve for the main chance, and that they were that they were unreliable partchance, and that they were case, however, that could be put somehow "not European." It an effectively by France alone so effectively by France alone, would also be very bad for the The aim of the British Govern-European companies which rement, therefore, should be to sound financial footing and seek to transform the Franco qualify for further tranches of over, there must be some doubt American discussions into wider Government finance. These are likely to prove lengthy as well will have to withdraw from the mitments or to meet demands 27 or 28 per cent. as approsed as to whether the French could discussions. In doing so, it linked directly to improved out as delicate, with shop stewards EEF if it is to move over to its Longbridge Works, who is the for restoration of craft different to target levels of 35 per cent make an arrangement with the should offer formally to join put and industrial relations: Americans on the basis of any- the Airbus project, a project thing like equality—a consideration which Lord Beswick would do well to point out this week.

The short give of the American for the family of Boeing division also houses most of the aircraft, is capable of future bargaining units—117 compared to a centralised body.

The short give of the American for the family of Boeing division also houses most of the aircraft, is capable of future bargaining units—117 compared to a centralised body.

Management will arous how short while ago I evland has yet to be achieved at stimulations. on which Lord Beswick would which, like the family of Boeing of well to point out this week, a ircraft, is capable of future an industry creates a misleading impression. It is often Europe was not going into negoing impression. It is often Europe was not going into negoforgotten that it. too, has tiations on co-operation emptyproblems. The slow-down in handed and would increase the sonnel director at Leyland Cars, by rord where one valuonal acceptant which has already outlined his views Joint Negotiating Committee scheme introduced early this dog British Leyland in common breach of the union's policy of up again and last week was back with most other companies in problems. The slow-down in handed and would increase the example, and the spiralling cost no U.S.-European agreement of new projects have also hit would even resemble a treaty tive document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to national union all 55,000 Ford U.K. manual Since the three-level participative document to

## **Teaching the unions** about profits

LAST WEEK's statement from . The implication is that just the Prime Minister on the as employees are being asked subject of profits—"if there to reduce their expectations jobs"—was welcome. This is a and accept a low wage limit, so are no profits there will be no subject on which some Ministers companies must be prepared to have tended to be equivocal, tighten their belts for the good fur fear of offending their trade of the community as a whole, union supporters. Mr. Callaghan righty insisted that higher profits were necessary in order. profits were necessary in order by companies, if it means perto encourage investment. "To. manently depressed margins. day's profits must be to will result in a loss of jobs: for morrow's jobs," he said, in a companies will not be able to phrase that might have come generate the cash necessary to straight from the lips of the maintain their business. let West German Chancellor, Herr alone obtain new funds for ex-Helmut Schmidt. What impli- pansion. cations the Prime Minister's Union leaders have now statement may have for the accepted that excessive wage init indicates a degree of clarity higher wages, but also to un-

#### Attitudes

standing among employees of more unemployment. what profits are for may be much greater than is widely Cosmetic supposed. Virtually all those should be ploughed back into companies and that it was fair

sumer.

on the issue which has been employment. The growing missing in the past.

awareness of the connection between inflation and jobs is one subject is of the reasons why the Govern-By coincidence Mr. Callag- ment's counter-inflation policies

The reality of the situation is contribution to the battle to pay dividends to share against inflation, but are inholders. Although the average employee is inclined to over any package as a quid pro uno employee is inclined to over any package as a quid pro quo estimate the amount of profit for the unions. This cosmetic that his company is earning, he is only necessary because high The only people who have not members. Companies are doing not one had a good word to say son of a local rector. That pedine new forge shop on the original got the message, it would seem, their best to convince employees are the national union leaders, that, on the contrary, low or whose public utterances on the non-existent profits represent a subject are often naive, mis-direct threat to their jobs. If leading or even dangerous, the Government is prepared to Whether they believe what they join in the campaign, so much are saying is perhaps question- the better. But since union able, but they sometimes appear leaders play such a powerful to be arguing that a continued part under the present Governsults in lower prices to the con- are the people whom Ministers must try to convince.

man of the Organising Commit-very few airlines are at present tee for the British aerospace in a position to buy and the industry, has talks with the dominance inclination of the parket, policy which will drastically local issues like manning and the Engineering Employers' tion.

Federation. The Federation. This is despite top level management pleas to the Government for a measure of THE COMPANY'S STRIKE RECORD far the French have already dent on foreign orders. Non-U.S. Government for a measure of gone towards collaborative pro- airlines, for instance, account grammes with the U.S. The for about 50 per cent, of the answer appears to be a long world's air traffic, a figure tion's rationalisation programme and to help prevent additional the arrangements cannot be mates could rise to 60 per cent. frustration among Leyland

that the aircraft would be rationalisation. British Leyland

#### Peace means money

The situation is particularly acute within the Leyland cars considerations which aught to be the Americans have scored has division which holds the key to group returns to profitability. Half-yearly figures one out to-day are expected to establish the equality (or lack of it) of the and that, in a nutshell, is the that the cars division remains British Leyland's trouble spot even though it has managed greatly to reduce losses in the

A large part of the Leyland as a whole has a great deal cars loss is due to industrial rupted car production if the also urged. group is to get back on to a

officials, many of whom see a workers. main tend to be more critical.

220 separate sets of annual lay-off and sick pay arrange- September and is shortly to be stewards on this National Car management's main preoccupa which remain unresolved, may wage negotiations which are ments and ways of reducing the followed by a similar one for Council in maintaining complete tion will be to get back to the yet lead to more unofficial as a major factor behind disparity, between average pay staff.) British Leyland's poor indus levels at different plants, should But the issue of centralised plan, another example of the recent disputes left the company. There is a school of thought be negotiated centrally. Items pay bargaining is certain to be participation scheme's effective way behind production targets, however, that the recent strikes Yet for the second time since such as how the available money more contentious because of the ness was the shop stewards' Before those disputes average involving mostly traditionally the Government's rescue opera-should be allocated within each attitude of some shop stewards willingness to sign a joint recom-weekly production had increased non-militant workers in the

lost due to

internal

disputer

000,000

1.2m.

1.1m.

100,000

0.5m.

200,000

200,000

700,000

1.6m.

1.0m.

100,000

8.8m.

141,000

258,000

17,000

14,000

830,323

206,700

Nav.

March

April

May

july

Oct.

Nov.

Dec

1975

Feb.

\*March

year

\*April

Total for ha

\*Provisiona

Total for

UST over a year ago the items, such as the total amount trally negotiated company-wide National Enterprise Board. Ryder Report recommended of money available for wage pensions scheme was introduced In addition to the responsible un.

tion, British Leyland, like every plant would be left to local nego- and the complicating factor of mendation to car workers to cut from 14,550 vehicles last Decem- Midlands Leyland plants, were other U.K. concern, faces a pay tistors as would other purely British Leyland's membership of out disputes and boost produc ber to 16,000 in January, 17,400 aimed more at influencing the

lost from

disputes at

180,000

33,000

21,000

10,000

1.4m.

12,000

65,000

nii

1.36m.

6\_348

112,000

rchicles

17,000

22,000

9,000

4,000

20,000

5,000 25,000

7,000

6,000

12,000

2,000

135,300

8,000

9.000

3,000

2,800

10,000

42,400

26,000

In spite of some encouraging results from the new system of workers' participation, Roy Rogers

argues that British Leyland faces new labour problems as a result of the national pay deal

Leyland snookered by the

new pay policy

swift moves to reduce the increases in all plants, common for manual workers last attitude adopted by shop In the meantime however, the putes, the central issues of

And when Mr. Derek Whit in the first week of March.

confidentiality over the 10-year position it was in before the action at a later stage. in February and almost 18,000 then emerging national

policy than at breaching the sa

But with the proposed £230 to £4 a week limit on increases offering almost no scope for maintaining or restoring craft differentials, the problems will be further intensified by the time the policy ends in August

It was precisely because of these pressures within Leyland approached the lovernment as long ago as last November and asked for special dispensation for their rationalisation programme under the next stage of pay policy. Further support came from Mr. Harry Urwin, deputy general secretary of the Transport and General Worser Union and a member of the

An Austin Allegro production line, and (right) the manwith the problems-Mr. Geoffrey Whalen, personnel director of Leyland Cars.

Detailed negotiations on these ing.

Mr. Geoffrey Whalen, per tralised negotiations practised goodwill generated by the inter-union recruitment and sonnel director at Leyland Cars, by Ford where one National successful worker participation representation disputes which

A tidying up of local bargain- negotiates national minimum taker. Leyland cars managing At that stage Leyland was productivity proposals unless to offer. It could be a much action—the cars division acting units along the lines of pay and conditions for the director, warned last month making very optimistic noises there were to be a new Par need for a period of uninter- posed to the present five, is actual earnings to be set if the company continued to changed to dire warnings about March-April rash of disputes

put and industrial relations: in certain areas showing own two-tier bargaining system, union spokesman on the national tials hit output with the loss.

As well as having the lion's extreme reluctance to sports in attempting to the national tials hit output with the loss.

through local or plant bargain- lurch from crisis to crisis, he was job prospects when a whole was to deprive Leyland of some proposals are expected to be Some union officials are now son, the Communist convenor of either the company's inability and reduce the company's share opened within weeks and are arguing that British Leyland the Amalgamated Union of to honour rationalisation com- of the home market to around

the engineering industry.

tion scheme was brought in last Nor can the participation lot of merit in it, and to lead. Even before the talks begin January is has proved so success- committees be used to negotiate cides to abide by the proposed production targets providing it ing shop stewards, who in the it seems there is general agree- ful that management has felt on the restructuring issues as new, equally rigid pay policy can avoid any further damagment on the need to have items able to reveal to shop stewards they are expressively forbidden will be decided at the union's ing disputes and to-morrow's In his document, which he such as lay-offs and sick pay on the top, national, tier to bargain. Consequently when policy-making National Compay debate at the AUEW tates has had a "not unfay-negotiated centrally to replace virtually every detail of the 10- the key negotiations do get mittee meeting in Scarborough National Committee may well ourable reception." Mr. Whalen the many different schemes year plan it has submitted to under way some sort of ad hor this week. Even if the Com- give an indication of Leyland's

March and April.

executive to return to work because their disputes were in Now production has picked with most other companies in abiding by the rigid £6 national to around the 18,000 mark. pay limit.

suggests that certain major at present in operation. (A cen- Lord Ryder. Chairman of the committee of leading shop mittee does agree to support chances.

## Market share reduced

Initial backing for more flexibility for companies lik-Leyland also came from Mr Jack Jones, TGWU General Secretary and architect of the £6 policy. But when the Government and TUC negotiators got down to the detail of the new policy they decided that in the interests of making it completely watertight they would have to exclude all flexibility or

supported by Mr. Derek Robin- series of unofficial disputes over 36,000 much-needed vehicle-Even so strike losses over

of some 36,000 vehicles during the first seven months of this

Levland Cars management re-

Whether or not the AUEW de- mains confident of achieving its

#### A note on City opinion

A letter from the City Corpora- workers. tion tells me that this is the last week in which I can take part in its canvass of public opinion on the experimental Options open traffic scheme around St. Paul's Cathedral. Instead of giving I am intrigued to note that of my opinion in an anonymous the £162m, which the Governquestionnaire I would rather air ment is prepared to pump into my views (and many other Chrysler the sum of £625 was people's I promise you) in open donated to the Economic League future of the Price Code creases not only lead to higher forum. To the majority of my -a body dedicated, among remains to be seen, but at least prices which cancel out the readers who may find the other things, to fostering free it indicates a degree of clarity higher wages, but also to unsubject a little parochial I can enterprise. The Chrysler U.K. The growing only apologise with the rider report mentions this as either that for those in the parish the a political or charitable gift, but of importance.

To anyone who works east of han made his comment the day seem likely to be accepted by St. Paul's and occasionally after the publication of a surthe majority of the trade union happens to need to go west, the Any old iron? vey, commissioned by the movement. But unless indus- present scheme is a nonsense.

Confederation of British Indus- try is allowed to rebuild its The Cathedral dominates the An event of some importance try, into attitudes of shop floor profit margins, the apparent view from my office window and took place this week-end in the workers to company profits. The gains achieved by wage res. I would hate to see it fall down old. Kent village of Brasted, and grown to about £5 in. most interesting conclusion of traint will be wasted and the -- to I am all in favour of With an eye to the trade (some the survey is that the under- inevitable consequence will be hanning private cars from of it American) attracted by the past few years' recession, the Berated questioned agreed that profits that controls over prices and cannot understand is why taxis attempt by what is probably the wide area, most of its work tion: "Drive carefully. We profit margins make no lasting should be prohibited from using oldest family firm in the world resulting from Government con- can't afford to lose ratepapers." this bit of road. (Under the to "broaden the base" of its tracts. Apart from the new

. I reckon to have spoken to He is of the 12th generation ing. Signs of the distant past are well over 100 people on this to run what is at heart a build- unfortunately few around Durtfor the experiment in its present gree is quite a trading asset 1591 site.

form. Of the 50 or so taxi but only lately has R. Durinell (One the

note therefore: at least amend "one off" homes in an environ- John Durtnell confesses that Towersi" substituting "Fawlty"

which, according to your own publicity material, is to improve the environment for

considerable does not specify which.

using the stretch between the numerous local antique shops, a Financial Times building and wrought iron retailing business has remained profitable. Ludgate Circus. But what I and complete with forge has been

Corporation and GLC please estate development an pricey in £60 a thousand.)

HOWARD

**HUGHES** 

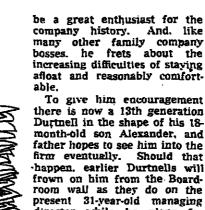
REANISATION

and even in the depths of the company, with 220 employees.

estates and electrical contract. Krekshun

drivers whose opinion I have and Sons really decided to cap give you is perspective on in-canvassed not one opinion italise on the fact Last year a flation. In 1515 bricks for "Frederick Raphaell" cubcould be printed except on an subsidiary was set up in Canada Hampton Court cost 3 shillings stituting expletive-deleted basis. with the idea of undertaking per thousand. To-day the price "Rapheali

the scheme to let taxis through, ment where the antiquity of while having such a detailed for Faulty. squeeze on industry's profit ment on such matters as the Otherwise you are achieving the name ought to go own well knowledge about the family margins is necessary if it re-revision of the Price Code, they half your avowed aim—to Durtnell remains deter- tree "gives you a hell of a sults in lower prices to the con- are the people whom Ministers improve the environment around minedly private and resistant to kick," he reckons to be "too the Cathedral for visitors—at recurrent takeover offers. Turn- wrapped up in the business " to



month-old son Alexander, and father hopes to see him into the firm eventually. Should that happen, earlier Durtnells will frown on him from the Boardroom wall as they do on the present 31-year-old managing director while he plans for future expansion. Durtnell the twelfth does this a little gingerly, suspecting that the sort of developments which take the company towards its 400th birthday could make some of his ancestors turn in Brasted churchyard

A stark note of realism provided These days the main Durtnell by a public library. On its bookmost of the rest of the City opened. The forge is the latest and Sons company builds over a marks is the following admoni-

Because it is not very friendly It reads: "Correction. In q Awards (sent under noon to-day (One thing a long history does embargo), in second line of "Frederick Raphaell" sub-iting "Raphaelgg for "Rapheain." In 2 Awards on last line please read "Fawlty

Well, if you say so ....

Observer

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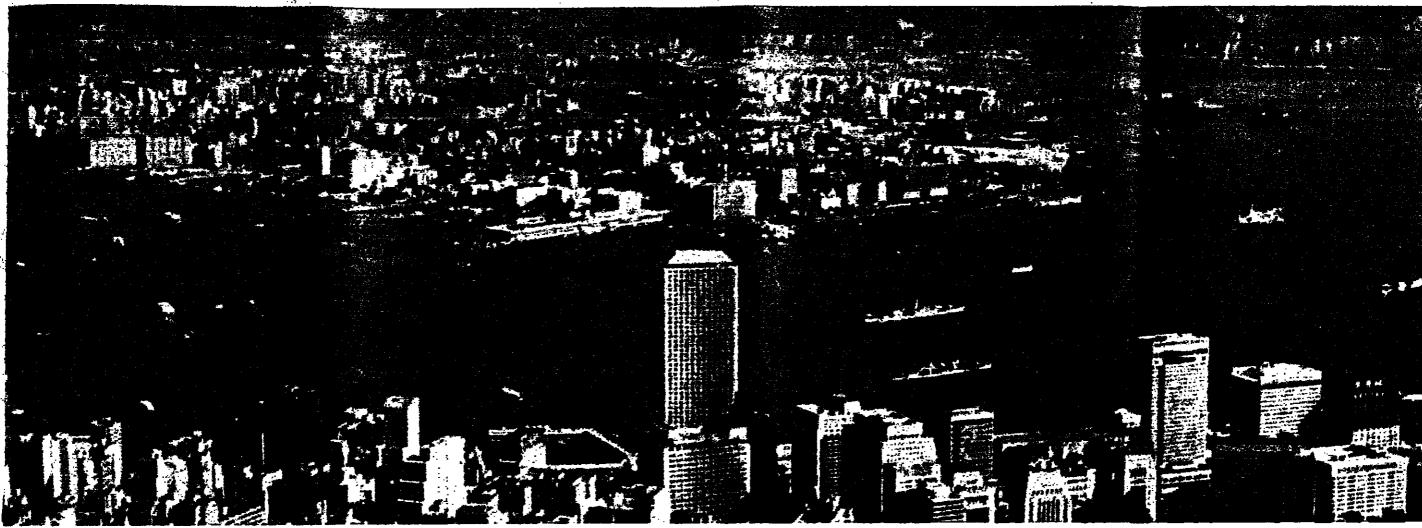
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# HONGKONG

## now-a dynamic link in our international chain of operations

ime Darby knows as much as anyone about doing usiness for the world in South-east Asia — and more ran most about doing business with the world from outh-east Asia.

o we should. After all, it's been our business for nore than 65 years.

ut more recently we've been broadening our prizons and expanding our sphere of operations.



 Our car sales headquarters. Harpers is a isading vehicle distributor in Hongkong and specialist in automotive englander.

e've consolidated. We've internationalised. We've versified.

aditionally, Malaysia and Singapore have been the se of our operations; and plantation management, avy equipment dealing and general trading have en the keys to our development.

It long before ASEAN was the important economic buping of nations that it's now becoming we cognised the wealth, strength and potential of the ner countries of South-east Asia. We made it our siness to play a part in their development a moved into distribution, engineering, food and verage processing and production, manufacturing, fourance and shipping, and virtually every aspect of ding.

What's more, we now have significant interests in Europe and developing interests in North America. Our fertilizer and commodities trading operations are worldwide. And we're still expanding.

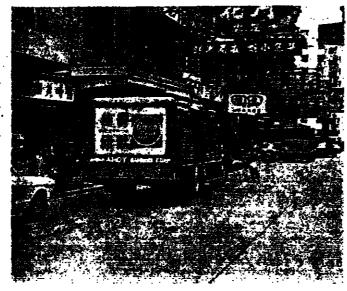
We've taken a strong interest in Hongkong.

Not only is Hongkong a valuable adjunct to any South-east Asian operation, but it's also a strong plus factor in any international corporate growth programme. Because Hongkong has proved that it has both the will to survive and the ability to succeed—making its mark in international manufacturing, trading and finance.

Hongkong is a force to be reckoned with in the world. And the Sime Darby Group is a force to be reckoned with in Hongkong.

Our group companies are leaders in their fields.

Our presence in Hongkong is led by The China Engineers (Holdings) Limited, whose subsidiary companies have contributed over the years to a remarkable record of achievement.



\*Good products, well marketed. Amoy's Green Spot is a Hongkong favourits.

The China Engineers Limited, established in 1928, is a leading supplier of heavy engineering equipment, machinery and machine tools — serving every major Hongkong industry. Its Mining and Explosives Division is Hongkong's main importer of explosives,

and the acknowledged local authority on their handling and use. The company is also one of the largest electrical contractors in both the industrial and the commercial sectors.

C.E. Construction Equipment Limited handles the Caterpillar dealership, which was formerly a divisional responsibility of The China Engineers Limited. Capitalised at US\$4 million, and with complete sales, service and parts facilities, this company is arguably the biggest supplier of construction and earthmoving equipment in Hongkong.

In a word, then, China Engineers is engineering. But it's a good deal more besides.

Other Group companies hold the Hongkong agencies for Alfa Romeo and BMW cars and Ford and Mitsubishi automobiles and commercial vehicles, and are leaders in specialised vehicle engineering applications. Through The Amoy Canning Corporation (Hongkong) Limited, we're involved in food and beverage processing and production — and packaging. And we're now building strongly on our established agency trading base.



Reshaping the face of Hongkong. China Engineers has long experience in providing and maintaining the world's best heavy equipment for some of Hongkong's most important development projects.

We are among Hongkong's larger importers of rice. And we're active in shipping, property, insurance and finance — in no small way.

All in all, we're heavily involved in the dynamic Hongkong market — and not just in the engineering field! And we're fully committed to supporting and servicing our principals and customers — a strong Group with strong commitments.

Now we're concentrating on bringing the best of the

West to our operations in the East.

In the past five years, the Sime Darby Group has moved to the forefront of business in South-east Asia, the result of a period of rapid and exciting growth. But we're not about to allow it to cloud our thinking for the future.

We're planning carefully for the last quarter of the 20th century. We've introduced into the parent company a new management team that brought with it new experience and added capacity. We've broadened our base and defined the directions and the ways in which we intend to continue to grow.

A most important factor is the introduction of the best technology in the world into our areas of expertise in South-east Asia — to raise living standards, boost production, contribute to the further development and competitiveness of industry, and to fulfil the needs of the region.

Our acquisition of the Marryat and Stanley groups in the United Kingdom, and our investment in VDK of Belgium, are proof of these intentions.

So if Hongkong's your market, talk to us.

Talk to us about your plans for Hongkong — we're not short of ideas or experience.

If it's engineering, contracting, mining, explosives or technical or industrial products — talk to China Engineers.

if it's food products, beverages, canning, packaging, specialised processing or agency trading — talk to Amov.

For vehicles and automotive engineering — and anything in the range of applied vehicle designs — you'll benefit from talking to our experts at Harpers.

For heavy equipment, talk to the Hongkong leaders — C.E. Construction Equipment.

They're all Sime Darby Companies. And they're all strong links in our international operations.



## The Sime Darby Group

MALAYSIA - SINGAPORE - HONGKONG - UNITED KINGDOM - EUROPE - INDONESIA - THAILAND - INDIA - AUSTRALASIA

The Colony is recovering quickly from the recession and inflation has been kept at a minimal level. The Government is trying to tackle expensive social problems like housing and education without endangering rapid economic growth. In the background there are delicate questions of local political expression and relations with Peking.

# Boom economy masks social problems

HONG KONG has done as well product, the impact on the ing the year, though perhaps Legislative Council, from the income. To do this would be to tile departments from Osaka or appears to be both economically the first part of 1976—at least per cent in the early part of security of their jobs one would. The absence of direct political foreign investment to itself, near the new textile producing Kong relations may in the end if one sticks to strictly economic the year (it was still 9.1 per hardly expect strikes. Work expression in Hong Kong could the basis on which it encourages countries—in South East. Asia. come back to what happens criteria. Its exports have cent in September when the was successfully shared out in become more of a problem in its own local business com- U.S. manufacturers have in two inside the Colony itself. beginning of the year. There on the subject). Wages were minimise actual lay-offs. The percentage of the Colony's popu- Hong Kong rather than else- Outboard Marine) chosen Hong to a point of relations with is full employment or virtually actually down in money terms law and order situation, which lation consists of those born in where.

Kong as an offshore manuface China. China values Hong Kong bustle which visitors to Hong ment's budget revenue, like signs of falling slightly as the Hong Kong Government convery promising. Hong Kong has "mother country," and of China located within China itself.

Kong always notice, even in a almost every other aspect of year drew to a close. recession, has been more the Colony's marked than ever this spring directly related to how well good marks for surviving the and the affluence one sees in exports are doing. The result recession unscathed, the moral Quality some parts of the colony by was that some important pro- is not that everything in the contrast with a good deal of grammes, such as housing, had Colony is just as it should be.

tional trade to start recovering engineering construction conlast year as the world began to tracts. emerge from recession. effect seems to have been to Strains give Hong Kong's economy a sharp V-shaped recovery pattern countries such as Japan.

since exports account for about colours.

they continue to be appointed, munity with a high governgo per cent. of gross domestic There were few strikes dur- as is the case with Hong Kong's ment "take" from the national

economy, is Events since the beginning of put off by a year or 18 months. worse. the year, in short, seem to The one big benefit to Hong better underline the truth of what Kong from the recession and widely businessmen say about its most sectors was that 1975 education. world trade, particularly if they long delayed mass transit proare in the textile industry, the construction industry were which still accounts for over 50 the construction industry were per cent of the colony's exports showing a fall of about 15 per (if one includes the all cent from a year earlier, when, important sector of clothing). in the middle of 1975, the Mass Textiles and clothing were one of the first sectors of interna- awarded the bulk of its civil

The reason why last year's rather than the long drawn out recession was a highly signififlat-bottomed" recovery which cant event for Hong Kong-and has been a cause of delayed is still significant even though expectations and considerable it now belongs to the past—is frustration in other Asian that it put to the test the The point about sensitivity and economic strains at a time for listening to and handling development programmes. alto external events also applies when there has been consider- individual grievances. This though the Chinese business the other way round of course, able doubt about its ability to machinery clearly has a very community, which is strongly In the early part of last year do precisely that. It is only special role to play in a com-represented on the Legislative Hong Kong's exports were run. fair to say that Hong Kong munity where the basic organs Council, will not take to this ning 15 per cent, below the and its 4m. people came of government are appointed too readily. It cannot afford, levels of a year earlier, and through the test with flying rather than elected—and where however, to become a com-

competitors in East Asia during ment was probably over 10 were worrying about the from all levels. recovered sharply since the Government collected statistics most major industries so as to future as a larger and larger munity to go on reinvesting in recent cases (Dow Chemical and The same will be true up

But if Hong Kong deserves struct a stable society. better publicised and more some other Asian countries and it has a someone and at his Hong Kong's own officials and the slackening of demand in in fields such as housing and education and public transport ing and financial system. The effect

> under the done in the past. administration personal interchange and by open

of (all of which are considered British merchant banks in-critical review by the Fabian to be doing with Macao) rather obscure, as it must do in

problems has been two pronged. weak areas without sacrificing have started to move their tex- ties in Hong Kong if the Colony Peking in the running of Hong The Governor has tried hard, the existing formula for prosand even his critics would say perity. This is based on rapid successfully, to establish con- growth, a low tax rate (still only tact with the ordinary people of 15 per cent, on individual Hong Kong, both by direct income) and an essentially setting up institutions such as economic system. Hong Kong district committees or (on a will probably have to raise its Colony's ability to resist social Colony-wide level) machinery taxes somewhat to pay for its

economy. Hong Kong reacts turned out to be the ideal year last year's successful tackling separately in articles elsewhere terested in Asian investments Society. very quickly indeed to trends in for getting the ambitious but of recession and this year's in this survey). Even in a com- from Japan down to South East The weakening of economic a single stroke. successful emergence from it munity of only 45m. people it Asia have tended increasingly to ties between Colony and mother proposal to establish a liaison ject off the ground. Costs in has been to make the Govern- can be very expensive indeed to do business out of Hong Kong country, notably when it became office in Hong Kong, which has it is unlikely to be one fraugh ment more rather than less carry through crash programmes rather than London because the impossible a year or two ago been raised at intervals during with crises or with sudden an anxious to cure these various of reform and reconstruction in absence of time difference be- for Britain to continue to insist the past 20 years (most recently abrupt changes of status. ]

evils. major fields of social welfare tween Hong Kong and other that Hong Kong keep its during Mr. Anthony Crossand's the colony sorts out its intermy.

The approach of the Colonial where relatively little has been Asian centres makes possible reserves in London, has also recent visit to Peking) and as problems successfully no on done in the past.

minute-to-minute decisions not helped to improve the regularly turned down by else is likely to intervene to the trick which Hong Kong which could not be made from relationship. But it should be Britain, could be seen as an undo the good work. present Governor, Sir Murray The trick which Hong Kong which could not be made from relationship. But it should be Britain, could be seen as an MacLehose, to dealing with has to perform over the next the other side of the world, obvious that Britain will be attempted first step towards Hong Kong's more intractable few years is to catch up in its Japanese trading companies happier to retain its responsibility establishing some direct role for

as any of its neighbours and economy was drastic. Unemploy- in a year when most people top strata of society rather than destroy the whole basis on Tokyo to Hong Kong because the flourishing and socially stable. which Hong Kong attracts Colony is conveniently sited Thus the problem of U.K. Hong

it attractive as a site for the located. It is very clear indeed regional that interest in Hong Kong in Reversion business headquarters. Its com- the U.K. and understanding of If the colony continues to Kong affairs. some parts of the colony by was that some important procontrast with a good deal of grammes, such as housing, had
contrast with a good deal of grammes, such as housing, had
squalor in other parts, is
striking as in Tokyo.

The other half of the task is (although Kai Tak Airport is has been tending to wane
continue to put off the day when a little more forcibly, when the
for completion in some cases

to be slowed down, with targets
for completion in some cases

time colony continues to kong analis. The propose
munications are superb the Colony's economic situation
for obtained to wane
continue to put off the day when a little more forcibly, when the
for completion in some cases

for completion in some cases

even if it is not getting any especially in areas where it lags loaded these days). It is good

for completion in some cases

even if it is not getting any especially minded Labour MPs

of by a year or 18 months.

The crime propose

munications are superb the Colony's economic situation
flourish Peking will probably could be raised again, perhap

continue to put off the day when a little more forcibly, when the

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even if it is not getting any especially in areas where it lags loaded these days). It is good

for completion in some cases

even if it is not getting any especially minded Labour MPs

of by a year or 18 months.

The colony to that everything in the

Colony is just as it should be.

The other half of the task is (although Kai Tak Airport is has been tending to wane

continue to put off the day when a little more forcibly, when the

striking as in Tokyo.

One might go the colony to th superb the Colony's economic situation flourish Peking will probably could be raised again, perhap There are also the well behind what is available in graphically central in East Asia radically minded Labour MPs. that it would be characteristic views on the status of the colon publicised and more some other Asian countries, and it has a sophisticated and Partly as a result of this its for China to seek the reversion after the expiry of the ne

full employment in the colony, (as well as in real terms) had been a growing problem in Hong Kong rather than of rebut prices are not yet starting during the early part of last Hong Kong during the early fugees from China. Setting up balancing act with success, its taxes, relatively cheap labour source of foreign exchange and
to rise much, after a year in year.

part of the 1970s, got no worse lines communication with an future as small-scale but and good communications.

partly because it provides a
which the consumer cost of The 1975 budget was the in 1975. Indeed, accordingly articulate and sophisticated by a state of the state o which the constituer cost of The 1975 budget was the in 1975. Indeed, according to increased industrial producer. The other factors governing to increased industrial producer. The other factors governing to increase the future of Hong Kong are foreign businessmen and others mere 1 per cent. The air of in years because the Government to the for foreign business should be the attitudes of Britain, the who cannot be conveniently business the foreign business should be the attitudes of Britain, the located within China itself.

than to attempt to take over at situation where none of the

BASIC STATISTICS **TRADE 1974** Imports SHK34b Exports \$HK23b Imports from U.K. £1580 Exports to U.K. TRADE 1975 Imports from U.K. £157a Exports to U.K. Exports ...
Currency, Hong Kong
£1=\$HK8.9

The Chinese parties involved can afford t put their cards on the table. Be

Charles Smith

Trade is Hong Kong's life-blood: the Colony must both import raw materials and export manufactured products to survive. In recent years it has shown a remarkable ability to succeed at this and to adapt to wide variations in world economic conditions.

# Trade relations

Who does business (really big business) in Yen, Rand, Ringgit and Rupiahs, Baht, Pounds and Pesos, all kinds of dollars and Renminbi\*?

> When you're at the crossroads of Asia and the Pacific Basin, you have to be ready to deal rapidly in the coin of many realms.

We've been experts in investment, finance and trade. and a host of other matters involving money, since we set up shop in Canton in 1852.

Along the way we have branched out into other fields, including transportation, manufacturing, property development and engineering. We have set up joint ventures and licensing arrangements, partnerships and agencies too.

By the time Mr. Kipling, Mr. Maugham, Mr. Courad and Mr. Michener wrote their books about the Fast, we'd already written 2 lot of business history. A new chapter has just started and well be right in the. middle of it.

If you want to get acquainted with the big markets of tomorrow, now, we'll be glad to introduce you.



William Jardine, Born Lochmaben Dumfries, Scotland, 21th February, 1781 died London, 27th February, 1845.\*

When you think about Asia think about us. **JARDINES** HILLEPINES CZAJANT MALAYSIA SINGAPORE **INDONESIA** AUSTRALIA JIHERN AFAICA

\* The currencies im order are Japan, Schie Africa Maiorsia. Indonesia. Tralland. United Kingdom. Philippines dollars from Singapore, USA, Canada, Australia, New Zealand, Fift, Hong Kong and the Chinese Respired.

Enquiries should be addressed to The Information Officers Jardine, Matheson & Co., Ltd., Connaught Centre, Hong Kong. or Matheson & Co., Ltd. 3 Lombard Street, London ECSV SAQ, England.

JUST OVER 90 per cent, of such as the cloths and yarns textile and garment exports are colony's economy will thu product was exported in 1974 makes into clothes or the petro- double the ratio of ten years tinues but not enough to cause (there is no reason to think chemical materials which the ago. Hong Kong, of course has any serious headaches. Hom the 1975 percentage would be plastics industry makes into toys, to work within the framework of Kong's invisible earnings (up

that the money supply inside chronic surpluses with a num-such as Korea and Taiwan.

must remain reasonably recep-

complex — and thus more units major suppliers. with the Colony's overseas was overtaxed by domestic per cent, on January, 1975 and the basic stability needed markets, as happened during demand and became temporarily in February exports were up 37 provide a foundation for the 1974-75 recession, the effect unable to meet the full demand per cent. over the same month growth. But in the end on the domestic economy is from Hong Kong for artificial of the previous year.

Question comes back to expo 1975 recession, although Govern- prices of food exports. Such ment figures on this lag so far increases work straight through

Asian industrial states, with the both ways. Last year Chinese out respect for political ties, the cent over the 12 months of 1973 down Hong Kong's export past (such as the spectacular desirability of balancing trade to only 1 per cent in the 12 growth as the year goes on. desirability of balancing trade to only 1 per cent in the 12 growth as the year goes on. with individual partners, or the months of 1975).

While this is happening aster. There is one thing, occasional cries for protection. Hong Kong's problems with imports, which fell last year ever, that Hong Kong ca

tive if it is to survive economic. in the colony calling for a down in the first half of 1975, sonal income at roughly the tive if it is to survive economically. There is no scope in Hong Straightening out of the In quantity terms there was same rate as in the recent pure for generating growth by stimulating internal demand as there is in countries which consume with regard to China trade. One in the first half of last year. The lower products and hasic necessition of china is politically the first half of last year. The lower products and hasic necessition of china is politically the first half of last year. The lower products are the last top years compared with the line terms of value, exports in the average 8.2 per cent to the last year the last top years top years to the last top years top years to the last top years top years to the last top years top years top years top years top years to the last top years to years top years to year years to year years to year years to year years to years to year year own products and basic necessi- deficit with China is politically the first half of last year were the past ten years (which own products and basic necessities.

The heavy dependence on
exports gives the Hong Kong
economy a built-in regulator
which must sometimes be the
envy of countries with more
its major suppliers.

The heavy dependence on
thighly desirable because it is down by no less than 15 per course include the two unity
to brighten rapidly from the 1975).

Peking But, deficits aside, middle of the year onwards,
there are problems of a reverse and Hong Kong finished 1976
attraction.

Stability

much different) and there is The result is that Hong Kong the International Multi-Fibre quantifiable because the not a single major industry, runs massive trade deficits with Agreement and beyond that is absence of exchange control with the exception of tourism. Japan and China (its first and obliged to rely on its own or means there is no way o which is not overwhelmingly second biggest suppliers the British Government's powers checking how much money flow concerned with making things respectively) because the former of persuasion to get reasonable in and out of the colony) should for overseas markets.

The effect of this on the way economic source for textile to what can be achieved in this a balance.

the Hong Kong economy works industry raw materials while way, but it could be argued that the effect of this on the way continue and the Hong Kong economy works industry raw materials while way, but it could be argued that But what about the and on the trade policies the China is the basic source of the quotas are less damaging to the longer term? The colony wi and on the trade policies the colony's food (80 per cent of interests of Hong Kong than longer term? The colony with the colony's food (80 per cent of interests of Hong Kong than have a more rapidly risin marked, not to say remarkable. Which is imported). On the they are to the really about force in the next for One of the most important is other hand Hong Kong runs far eastern textile producers years than it has experience

Hong Kong and consequently ber of western industrial the general level of demand within the Colony, is very ducts of its clothing, electronic largely determined by the state of overseas trade (though or overseas trade (though invisibles also have a part to play). Another interlocking point is that Hong Kong must remain competitive in world markets, and world markets, and world markets, and world markets. imbalance. There is no lobby recession, and continued to be increase productivity and p complex — and thus more unmanageable—economies. It also
means, however, that if any just after the oil crisis when moving at a spectacular pace. ably sure that it can gener
thing does go seriously wrong Japan's petrochemical industry The January figure was up 36 the investment and maint

on the domestic economy is fibres and other textile raw. The entire pattern reflects the liable to be extreme. Hong materials. There were also fact that demand for textiles slowly over the next ten K rate of probably over 10 per problems in 1972 when China miched up in major world mar. Rong had an unemployment matter in 1972 when China fact that demand for results rate of probably over 10 per problems in 1972 when China picked up in major world marcent, at the low point of the introduced steep increases in the kets sooner than for most other prices of food exports. Such products towards the end of the recession. There have been special factors, however, such as political problems in previous performance failing discovery by local industry miracle sector for expansions. behind that no one realised the to the consumer price index in special factors, however, such miracle sector for expanding after it was over.

There is another factor about less to adjust the situation.

There is another factor about less to adjust the situation. Hong Kong's trade which puts Luckily the history of Hong the country in a substantially Kong's trade with China shows different position from other than makening the same in the same with the makening the same in the same with the makening the same in the same with th the country in a substantially Kong's trade with China shows Kong in the early months of different position from other that the mechanism can work Kong in the early months of the country in a substantially Kong's trade with China shows Kong in the early months of the country in a substantially Kong's trade with China shows Kong in the early months of the country in a substantially Kong's trade with China shows Kong in the early months of the country in a substantially Kong's trade with China shows Kong in the early months of the country in a substantially Kong's trade with China shows Kong in the early months of the country in a substantially Kong's trade with China shows Kong in the early months of the country in the carry months of the carry months possible exception of Japan, prices were very stable and this factors plus the fact the textile. This is that Hong Kong must was a factor in helping Hong export boom itself could lose import to survive and must buy Kong to get its own inflation some of its impetus in the next in particular industries. It from the cheapest supplier with- under control (it fell from 18 per few months may tend to slow past (such as the control of the control of

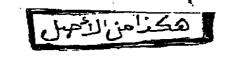
from a domestic industry. Hong its export markets are of a differ- by more than exports, may now diversify out of and that is i Kong has no indigenous re- ent order. They boil down fairly tend to pick up rather faster, national trade. In the sources except building stone, simply to the fact that the Hong Kong's industry seems resort, more than any f fish and water (and even in the Colony's exports, particularly of still to be understocked with country in Asia, Hong Kor latter it is only 77 per cent, self textiles, are increasingly "locked basic raw materials and will at the mercy of its over sufficient). Its economy func- in " (as a high Government need to replenish stocks. The customers tions by the creation of added official put it recently) by visible trade deficit which is value to imported raw materials quotas. About 65 per cent of a regular feature of the

recently for reasons mainly col

to 1973, it will be extrement hard for Hong Kong to heat

Hong Kong is notorious fo adaptabilty both to wide vi tions in world economic co of most of them without

Charles So



Hong Kong enjoys a large trade surplus with the EEC. Textile sales, however, still give rise to problems which are only slowly being ironed out

# EEC trade

•	(in S	HK mil	lions)			
	-		Dom	estic		
	Imports		exports		Re-export	
	1975	1974	1975	1974	1975	197
West Germany	1,034	1,193	2,559	2,444	117	9
Ų,K	1.715	1.941	2.777	2,768	112	16
Netherlands	335	400	496	503	54	6
Belgium and						
Luxembourg	407	342	172	192	99	11
France	459	427	202	183	48	3
Italy	328	368	171	23#	15	3
Denmark	111	109	189	174	4	
Ireland	4	9	74	41	0.5	Ð.
Total	4,396	4.793	6.892.	6.541	4.52	51

HONG KONG'S TRADE WITH THE EEC

IT IS no exaggeration to say that ment reached under GATT auss of Hong Kong's textiles from 1977. But the matter is up to imports fell only 2 per cent to sharply against the Hong Kong in Hong Kong.

A great many Hong Kong manu- piecs, and which allows greater the EEC's Generalised Scheme the Council of Ministers, who shkx33.3bn. However, not too dollar. The U.K. is still the lariurers were saved from total flexibility between textile cate- of Preference (GSP) for deve-may be swayed more by much significance should be largest European supplier in successful in developing the Hong Kong's own businessmen collapse last year by one single gories and more scope for loping countries. The Colony sectoral pressures than by the expert market. And it saved tens bilateral discussion of problems wants inclusion for textiles theoretical arguments of the fathers and transport. With clothing consumer items and transport.

Altogether Hong Kong consumer items and transport. Altogether Hong Kong consumer items and transport. Altogether Hong Kong consumer items and transport. Altogether Hong Kong consumer items and transport. Altogether Hong Kong consumer items and transport. Altogether Hong Kong consumer items and transport. Altogether Hong Kong consumer items and transport. Altogether Hong Kong consumer items and transport. Altogether Hong Kong consumer items and transport. Altogether Hong Kong consumer items and transport. Altogether Hong Kong consumer items and transport. when unemployment was, albeit the importing countries. The much because it cannot over-exports restricted one way or consumer items and transport. Altogether Hong Kong con. Japanese imports, artificial some of their own liquid funds, and be briefly, difficient to suggest the proof of the countries. The much because it cannot over-exports restricted one way or consumer tems and transport. quite briefly, sufficient to suggest agreement with the EEC was come tariff barriers, but be-another, many exporters—often a threat to social order in Hong considered satisfactory from cause the system encourages resident buyers from Europe— all reduced by the recession of trade surplus with the EEC, cent. market share, and travel in the Tokyo Stock Market Song. That market was those the system encourages resident buyers from Europe— all reduced by the recession of trade surplus with the EEC, cent. market share, and travel in the Tokyo Stock Market Song. That market was those the system encourages resident buyers from Europe— all reduced by the recession of trade surplus with the EEC, cent. market share, and travel in the Tokyo Stock Market Song. That market was those the system encourages resident buyers from Europe— all reduced by the recession of trade surplus with the EEC, cent. market share, and travel in the Tokyo Stock Market Song. Kong. That market was West Hong Kong's point of view, importers to order from countage pushing other products, last year, and thus European as it does with the U.S. How goods where it has a 21 per cent. recently as for example when the first few months are pushing of the products. In the first few months are pushing of the products. Germany. In the first few months given that it was negotiated at tries which are in the scheme ranging from toys to less goods were hit harder than ever it should be pointed out share. These items are however, overseas. Chinese buyers of 1975 exports to the U.S., a time when world recession in the hope that they will get familiar. Hong Kong products countries, like China and that the value added in Hong among the surviving total of acquired a large portion of the Honekung's largest market, colours at its worst. It brings products in under the will get familiar. Hong Kong products countries, like China and that the value added in Hong among the surviving total of acquired a large portion of the Honekung's largest market, colours at its worst. It brings products in under the scheme such as metalware, electrical lapan, which supply more in Kong to its sales to the EEC is seven exceptions made by equity of Kao Soap. There have lapan in the extension of tariff also bear triangle with the way of find the way of f lapsed dramatically, particularly within the quota scope a higher twhich operates on a first come apparatus and travel goods, the way of food, raw materials relatively low compared with Japan in the extension of tariff also been times when Hong in-textiles and toys, with sales properties of Warner and Compared to the Warner and travel goods. in-textiles and toys, with sales proportion of Hong Kong's tex- first serve basis) and thus raise for example, while clothing ex- and semi-manufactures such as that of most EEC exports to the preference to Hong Kong under Kong buying has taken up a some 30 per cept, below the per tile semantic forms of water. some 30 per cent, below the pre- tile exports than before-now their margins. vious year. But at the same time about 83 per cent, are restricted. exports to West Germany con- But it allows an average in- Sectoral bound to rise remarkably crease of around 6 per cent. Sectoral strongly. The rate of increase of a year ago (by value) total a series of increase (by volume) a year, though the A fact-finding team from the exports to Germany were up two months, though the U.K. goods. However, opportunities (SSP would create serious problems in the year, but by larger increases are not neces. EEC Commission visited Hong 31 per cent. recovering so the German mar-categories from Hong Kong's ing the view that there was a Kong last year were depressed, ago—an appalling showing con- as. Hong Kong invests for esc industry. Japan made 96 ket was a less necessary life point of view. What is better than ever chance of The Colony's imports from the sidering the revival in Hong higher productivity. saver than it had earlier been, for Hong Kong is that the EEC Hong Kong textiles being in-region fell 8.5 per cent, to Kong's imports and the fact Overall for the year domestic has shared out the increases cluded in the EEC's GSP for SHK4.4bn, at a time when total that sterling has dropped very exports to Germany rose 17 per to its own members in such a cent, to \$HK2.9bn making it the way that the "burden" will fall Colony's second largest market, most on those countries, notably surpassing the U.K. Not that France, which at present buy sales to the U.K. did hadly. Over little. This will allow Hong the year as a whole they in Kong to diversify, Hong Kong's creased by a fractional SHK9m, negotiators have paid public to SHK2.8bn.. but again they had tribute to the more liberal attibeen very steady in the first half tude adopted by France, which of the year when non-European in the past has been particumarkets were so weak.

ations are relatively unimport- some snags, notably over the ant for Hong Kong adding up size of Hong Kong's sales last to only \$11K12hn, in domestic year before the agreement was exports last year, with the signed. These have been ironed most protectionist inclined of out at the time. hopes for better performance What is beneficial is the reached last July. This is the added products.

)]])

larly protectionist.

The other seven EEC destin- The agreement has run into Netherlands in the lead at out, though Hong Kong had to gHK496m. However, Hong "borrow" some quota from Kong has strong hopes that it 1976 to meet 1975 orders, thus can diversify its European sales, reducing potential sales this can diversify its European sales. However, the problem that the problem of th

For example, while clothing ex- and semi-manufactures such as one of most EEC, explores to the its generalised system of prefer- large portion of the foreign ports to West Germany in the yarn and cloth. Let sales county, chromatics for the dependence of the foreign first two months of 1976 were should recover strongly this EEC distance prevents its gain that Hone Vision of the foreign first two months of 1976 were should recover strongly this EEC distance prevents its gain that Hone Vision of the foreign first two months of 1976 were should recover strongly this EEC distance prevents its gain that Hone Vision of the foreign first two months of the foreign firs only 15 per cent, above those year. West Germany has had ing much of the share of Hong King is "100 com-short-term Treasury bills, of a year ago (by value) total a 34 per cent rise in the first Kong's imports of intermediate petitive The EEC's sales to Hong fail of 7 per cent, from a year equipment are likely to grow lems of competition for Japan-

Philip Bowring

## Japan trade

by Hong Kong industry. Trade in the other direction bas not yet developed its full potential RELATIONS BETWEEN Hong market a few years ago. There can be cheaper in Hong Kong which were to have taken part last year. As an investor in of its official reserves into year. Kong and Japan are lopsided have been some very uncomfort than in Japan itself because of in the ill-fated Japanese Hong Kong. Japan comes next only about 1.5 per cent. accordbut mutually profitable. Japan able periods in the bilateral Hong Kong's low tax and import package contract have since after the U.S., with a cumula ing to official figures despite the However, Hong "borrow" some quota from exports about \$HK7bn, worth of trade relationship during recent duties.

Japan is a vital source of

raw materials for processing

although it would naturally like customers.

first with the EEC under the An outstanding problem with companies, including ICI, by the Japanese tourists who haps to Hong Kong realism, that was slightly more than the electrical company is said to be terms of the Multifibre Agree, the EEC remains: the exclusion dropped out of the Hong Kong through the Colony, Such items a number of the companies value of its sales to Switzer-planning a Hong Kong plant for

particularly in textiles and par- year. However, the problem worry unduly about the gap the needs of its domestic although its most recent experito develop Japan into a larger Apart from its vital role as fortunate one. The Japanese trade pattern—the flow of goods as a good offshore manufar, their reserves into yen. Hong the other seven-France and In some ways the quota export market. What it does a raw materials supplier Japan made an ambitious attempt to from Hong Kong to Japan— turing base for exporting to lially. Last combined excession helps Hong. Kong as it tend to worry about is the ports to those two construes keeps down access to the EET totalled at mere SHK373m. For competitors like Tawan and Hong. Kong had hig defi-korea, though this can hardly cuts with them, as also with the regarded as beneficial to Relgion and Luxembourg. The Hong Kong in the longer term.

Relgion and Luxembourg. The Hong Kong is tend to worry about is the also sells Hong Kong quite a lot secure the master-contract for looks very different. Japan third countries.

It is tend to worry about is the also sells Hong Kong quite a lot secure the master-contract for looks very different. Japan third countries.

It is tend to worry about is the also sells Hong Kong quite a lot secure the master-contract for looks very different. Japan third countries.

It is tend to worry about is the determination of the secure the master-contract for looks very different. Japan third countries.

It is tend to worry about is the description of the Hong Kong quite a lot secure the master-contract for looks very different. Japan third countries.

It is tend to worry about is the door and think the Hong Kong on Japan—turing hase for exporting the Hong Kong in go on growing a secure the master-contract for looks very different. Japan third countries.

It is tend to worry about is the dotor word and secure the inaster-contract for looks very different. Japan then countries.

It is tend to worry about is the dotor word and secure the inaster-contract for looks very different. Japan then countries.

It is tend to worry about is the dotor word and secure the inaster-contract for looks very different. Japan then countries.

It is tend to worry about is the dotor master contract for looks very different. Japan turing has a secure the inaster-contract for looks very different. Japan turing has a raw materials supplied to secure the inaster-contract for looks very different. Japan turing has a for competition of the Japanese investment in the consumer secure the inaster its textile and plastics industion for about ten per cent, of the ceiling price of SHK5.000m, eminent position in Europe and Kong's market and which is now the Japanese make up their in future he heavily with the encouragement that volume tries.

Japanese exports, although and withdrew somewhat the U.S., but in fact it is not to be extended. However, there minds—as they seem to be new bilateral textile quota quotas give to manufacturers to Japan has a dominant position some of them probably find ignominiously in December of Houg. Kong carned about are signs that the Japanese may doing—that Hong Kong is going arrangement with the EEC trade up into higher value as supplier of these items all their way back to Japan again that year. It is a tribute to SHK243m, from its clothing be growing more imaginative in to be there until well into the the more since some western as consumer bargains picked up Japanese resilience, and per-sales in Japan last year, which their investment policy. A major 21st century,

3 tastes and intense competition sons of their own to concen- headquarters for the area. trate purchases elsewhere than

The Colony has been more GSP would create serious prob. Unable 1972 but the remaining seven are, of course, among the most important.

Japan because it needs Kong Hong Kong providing just markets. under 30 per cent, of the What Hong Kong is not doing SHK2.5bn. earned by tourism is putting any significant portion ence in this area was an un- The other side of the visible which have regarded the Colony

land and a good deal less than white goods, like refrigerators it sold to Canada and Australia, and washing machines, which According to Japanese trading would be geared to exports companies this low figure is rather than the local market. 4 the result of Japan having its Another interesting move, which g own clothing industry which is already in progress, is the 99 own coolding industry water transfer by at least one 61 caters specifically to Japanese Japanese general company of its entire textile trading section 3 Taiwan and Korea. A third from Japan to Hong Kong. The 13 reason could be that Japan's making the move because it 34 clothing and textile imports are thinks Far East trade in textiles g in the hands of a very few will increasingly be based in g major concerns which have South-East Asia, and Hong Kong 18 chosen until recently for rea- is seen as a natural regional

While the Japanese are looking to Hong Kong as a regional manufacturing and trading base.

which handle sales of these hills, are usually unable to identify the true source of buying orders which come from Hong Kong. The origin of orders may sometimes be European banks or Hong Kong has not made a investment houses who prefer to fuss about the trade imbalance place orders through their Hong Japan's industrial raw materials direct from headquarters. This more than it needs the Japanese does not after the fact that Hong market for its exports and Kong is joining the ranks of because Japan is useful in other the foreign countries whose The Japanese are the activities have to be recknied biggest tourist spenders in with in the Tokyo securities

unlike American companies who are responding to Japanese

# HY COUNTRICONS

Hong Kong is a place that radiates confidence. And it is this confidence of the people, the Industry and the Government, that has placed Hong Kong amongst the world's leaders as a manufacturing, financial and trading centre.

This confidence is shared by forward looking international industralists who have been attracted by the many advantages Hong Kong has to offer, such as a stable political and economic situation, low taxation, a low rate of inflation, well reveloped banking and financing services, excellent shour relations and a well trained, industrious and adaptable work force. At the end of 1975 there were over 270 factories in Hong Kong either fully or partly owned by overseas investments.

The total direct investment by overseas companies in manufacturing is about £170,000,000.

The Hong Kong Government actively promotes continued industrial, commercial and economic progress. Its confidence in Hong Kong's future is shown by the massive expenditures in the far sighted development projects that include the building and planning of new towns, serviced by ambitious road schemes. The construction of an underground railway system, reclamation from the sea of new land for industrial development,

and extensive technical training programmes that will provide the technologists vital to Hong Kong's future.

Hong Kong's economy depends heavily upon its global exports which reached a staggering £2,260 million in 1975 despite the world-wide economic depression.

There is no doubt that Hong Kong is successful. Proof of this lies in Hong Kong's world leadership in the exports of garments and toys; it is the second largest exporter of watches and is achieving world recognition for the technology and quality of its electronic products. Besides offering high quality, highly

competitive products, Hong Kong has a reputation for delivering the goods when they are wanted - on time.

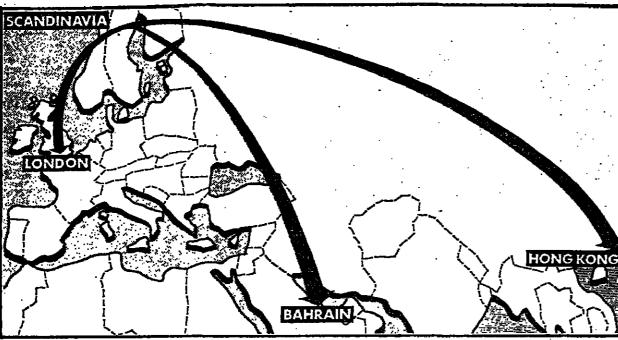
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## HONG KONG

CHAMBER OF COMMERCE - GOVERNMENT INFORMATION SERVICES - TRADE DEVELOPMENT COUNCIL

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# Setup...



## from fibre to garments

#### WINSOR INDUSTRIAL WINSOR CORPORATION LTD.

Subsidiary and Affiliated Companies: Soco Textiles (Hong Kong) Limited Cotton and Man-Made Fibre Spinning East Sun Textile Company Limited Cotton and Man-Made Fibre Spinning and Weating Oceanic Cotton Mill Limited Cotton and Man-Made Fibre Spinning and Weaving Winner Company (Hong Kong) Limited Cotton and Man-Made Fibre Weaving and Garment Making South China Bleaching & Dysing Factory Limited Cotton and Man-Made Fibre Fabric Finishing Pacific Dysing Works Limited Cotton and Man-Made Fibre Fabric Finishing

- 10th Fl., 37 Queen's Road Central, Hong Kong.
- Hongkong Bank Bldg., 12th Floor, 673 Nathan Road, Kowloon, Hong Kong.

Park Carments Limited San's Clothing Factory Limited Soco Knitters (Hong Kong) Limited Whot and Man-Made Fibre Knitting Fabutex Limited Tertile Trading Hilwin Holdings Limited Wool and Man-Made Fibre Manufacture Wool and Man-Made Fibre Spinning, Finishing. Knitzing and Marketing.

China retains an economic and political interest in maintaining Hong Kong's status as a colony. But evidence is mounting of the weakening relationship beween Hong Kong and Britain, whose lease on the New Territories runs out in 1998.

# Britain and China A

HONG KONG could not administration. although there are some doubt- doing there. ful aspects too.

The Chinese Party, ever since World War U, has tended to take the line contending with Communistinspired riots, which turned out
afterwards, however, to have
been masterminded by the
provincial authorities in Canton
rather than by the Central
Government in Peking. The
mood since the Cultural Revolution has been more relaxed
and does not appear to have
changed since the start of the
present left-leaning leadership
changes in Peking. The Chinese
changes in Peking. The Chinese changes in Peking. The Chinese represent a genuine problem. themselves down but it is no secret that Hong Kong is useful to them in a number of

China earns about \$HK9hn about £900m.) a year from Hong Kong in net terms as a result of its favourable visible trade balance with the Colony, the profits made by Communistowned and operated enterprises there, and remittances from overseas Chinese which pass through Hong Kong, Spokesmen normally disclaim any strictly financial motives for letting the Colony continue to exist. But the loss of this revenue would undoubtedly create problems for the Chinese balance of payments which usually features a substantial visible deficit with trade partners other than Hong Kong. The economic importance China then swapped it into other currencles that might be

#### **Important**

from which to watch China, and into tax range. that Hong Kong serves both these functions. Whether or not ject to severe restraints. The kong and Shanghai Bank. American presence in Hong Specifically only three classes Kong has probably been of of business are likely to be worparticular significance to China ried by the Committee. One is during the past few years, but will not necessarily cease to be important when Peking about 11 per cent tax on profits normalises relations with effectively earned in the Column to be worth of the control of the c normalises relations

argued that the relationship subject to tax in the Colony. This has now been raised twice more income from duties with Britain is showing signs. The Financial Secretary, Mr. in two years to its current 17 charges for services such of dilapidation. The U.K., and Philip Haddon-Cave, said two per cent, pending introduction vision of water.

II, has tended to take the line A Fabian Pamphlet "Hong Country, has shrunk still more that Hong Kong is Chinese ter-Kong—Britain's Responsibility drastically. It was around 99 ritory which in the normal country which in the normal country which is the n that Hong Kong is Chinese territory, which in the normal course of events would one day revert to the rule of Peking—but not for quite a long time. Phrases like "when the time is ripe" have been used in Peking statements on Hong Kong's status more than once since 1949. Somewhat more aggressive sounding statements of feel that conditions in Hong kong officials tend aggressive sounding statements on feel that conditions in Hong kong officials tend aggressive sounding statements on the control of the financial but not for quite a long time. Which was published early this per cent. Until the autumn of the 21st century, which so people seem to have in mind. The U.K. has, of course, which so that the U.K. along the defence agreement last hand the territory back to China. Hong Kong officials tend aggressive sounding statements to feel that conditions in Hong kong. These

One thing which is certain the expiry of the British lease

remained about the U.K.-Hong Kong rela- on the New Territories, equit survive if it failed to re-admirably cool during the tionship is that economic ties lent to about 90 per cent main economically prosperous, difficult period of the 1967 riots, have weakened. Britain's share the territory of Hong Kong, main economically prosperous. Neither could it survive if either China or the U.K. lost interest in maintaining the present status quo or something like it. It is therefore important for anyone considering a long term commitment to Hong Kong to form a view on the question of just how interested the Chinese are in keeping Hong Kong going and just how long the U.K. will be in the contrasted with what likely to go on playing the, by likely to go on playing the, by particularly among Labour lost trade would seem to be some time in the next fill now, rather incongruous role of Members of Parliament, on to fight its way back into the years before business confident on the property of t imperial power. There is plenty what Hong Kong really is and market for industrial raw in the Colony starts to of evidence on both questions what the U.K. is supposed to be materials which is dominated eroded by fears about the poby the Japanese. The propor- 1997 situation. Before doing tion of Hong Kong reserves it will have to decide how kept in London, which used to sees the future itself. be another vital tie between the Colony and the Mother

since 1949. Somewhat more China. Hong Kong omerals tend aggressive sounding statements to feel that conditions in Hong burden to Hong Kong. These on Hong Kong were issued at Kong are "different" and that their primary responsibility is lution when the Colony was to maintain overall economic contending with Communistic prosperity, which is also taken to strengthen the impression precedent, however, and could be a very tricky one to negotia.

problem of what to do about

The Hong Kong Government is trying to widen the scope of taxation. Ambitious public works plans have created a need for greater revenue and have led to Government borrowing, a new departure.

# Fiscal system

of the Colony to China has HONG KONG's FISCAL system something about this but was of a dividend tax. The Financi's certainly not been getting any has never had much time for unable to come up with an Secretary is confident that if less in the recent past. The the concept of equity or social answer. Now he has referred the Review Committee will agre Chinese put up their food prices engineering. It exists to raise whole question of the territorial with him. fairly sharply about three years money as readily and cheaply as ambit of taxation to the Com-Mr. Haddon-Cave's search it ago and have since been possible without discouraging mattee. Another sector which it additional revenue without manipulating them more fre investment, compromising the could affect is shipping. Though having to raise direct tax rab quently in line with the state of Colony's free port status or several very large companies are substantially is a direct of the market. The money China adding unduly to manufacturing headquartered in Hong Kong, come of the more ambition earns in Hong Kong used to be and commercial input costs. Its their ships are owned by foreign spending plans that the Government of the more annually converted into sterling (one critics might claim that it has subsidiaries and registered elsevents are registered elsevents are registered elsevents and registered elsevents are registered elseve reason why a figure for realing and translation of task with much efficiency, argureadily available) and translation particularly of sial matter facing the Committee of the direct taxes has long been very

needed. Recently China has who, matter of tax seems to underlying income has already the more sophisticated agreement the charling who, matter of tax seems to underlying income has already the more sophisticated agreement. tended to skip the sterling have taken hold of the Government from Hong Kong dollars into other currencies of its choice without moving its money out of the Colony.

who, matter of tax seems to underlying income has already the move straight have taken hold of the Government paid company profits tax. On and heightened expectation, the other hand, interest pay that relative prosperity have taken hold of the Government are taxed because they the more panicky businessmen can be offset from profits tax. On and heightened expectation, the other hand, interest pay that relative prosperity have taken hold of the Government are taxed because they the more panicky businessmen can be offset from profits tax. On and heightened expectation, the other hand, interest pay that relative prosperity have taken hold of the Government are taxed because they the more panicky businessmen can be offset from profits tax. On and heightened expectation, the other hand, interest pay that relative prosperity have taken hold of the Government are taxed because they the more panicky businessmen can be offset from profits tax. On and heightened expectation, the more panicky businessmen can be offset from profits tax. On and heightened expectation, the other hand, interest pay that relative prosperity have taken hold of the Government are taxed because they the more panicky businessmen can be offset from profits tax. On and heightened expectation, the other hand, interest pay that relative prosperity have taken hold of the Government are taxed because they the more panicky businessmen can be offset from profits tax. On and heightened expectation, the other hand, interest pay that relative prosperity have taken hold of the Government are taxed because they the more panicky businessmen can be offset from profits tax. On and heightened expectation, the other hand, interest pay that relative prosperity have taken hold of the control of the control of the control of the control of tax taxed because they are taxed because they are taxed because the The non-financial aspect of checked to find out their owners harm investment. China's interest in Hong Kong and whether or not they have is also important though not been paying property tax. The easy to define. It is sometimes total number of taxpayers has Equity said that China needs a "listen-risen sharply, a fact only partly ing post" in the outside world attributable to rises in nominal just as the West needs a place incomes bringing more people

these runctions. Whether of the Committee taxation to replace the current some of the capital section. certainly provides a convenient has been set up to look at the separation of income into its burden, particularly on house offshore location for foreigners system of direct taxation in the respective origins. A dividend Over the past few years with whom the Chinese want Colony with a view to making it tax would necessitate also a tax revenue has tended to expend to do business. The Chinese more productive of revenue at on undistributed profits above much faster than gross domest have shown themselves happy any given tax rate. It has been a given level. Mr. Haddon-Cave product without need for main to have all nationalities repre- told to report with despatch, wanted to introduce a dividend tax increases. Rising incomi sented in Hong Kong, with the The Committee has aroused contax this year—he suggested it changes in the structure of exception of the Russians who siderable nervousness in some would be around 3 per cent. are rigorously excluded as one business circles, and has given of the unspoken rules govern- rise to some shrill outburst from ing Britain's administration, and such establishment organs as the interests among the unofficial But there are doubts when the Chinese Nationalists from South China Morning Post, an members of the Executive and this trend will continue, at less Taiwan, whose presence is sub-associate company of the Hong. Legislative Councils stopped it, to the same extent. Thus it

with effectively earned in the Colony. Vashington.

This is because many transac he does not believe these asser. than raise direct tax rates acroid through off-tions and argues that the best the board, the Government is provided to the control of the con China is growing, or at least not shore accounts and thus become incentive for investment would trying to broaden the hase getting any less, it could be overseas income, which is not be a lower corporate tax rate, direct taxation and also look in

the local Hong Kong British years ago that he wanted to do

ferred to London where the direct taxes has long been very stal matter facing the Commit nousing and public works. London branch of the Bank of widespread. tax should be introduced. At of providing more and best cently a rather more present, dividends are tax-labour intensive services. inded approach to the exempt on the grounds that the as education and health to me any kind may say. Visibly there logical. But Mr. Haddon-Cave exceed 20 per cent. of great have been much more rigorous needs more revenue although he domestic product. But that it attempts to clamp down on eva- does not want to increase direct will be reached this year. Of sion. Tenants flats are being tax rates because this might four years ago the figure.

element of equity in his think- in the percentage, albeit is ing as he seems to want to move much lower rate than in the towards an eventual introduc-cent past. The only way Secondly, an Inland Revenue tion of a system of personal is if the private sector call

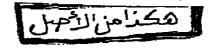
But opposition from business patterns have all played 2 \$ They claim that the tax would Government is going to find be unwieldy, complex, dis-much harder to finance improve courage investment and push ments in its services than di

Mr. Haddon-Cave replies that current fiscal year.) So rain

14 per cent.

The trend may be temporar reversed as economic expans sets in again, but the along There may also be an term forecast must be for a

economy and shifts in spendi



# Administration

HONG KONG is a British Commission through its own medium-grade jobs at the execu- task of keeping up the ex colory according to Whitehall office under the direction of a tive level or lower filled by staff patriate strength in the and a part of China currently former Colonial Secretary who sent out from Britain. During inspectorate of the Royal Hong tender foreign administration is also an ex-EFTA official. The past ten years the exacording to Peking. It is also the Petitic Embrary but in the patriates have been in retreat area where the Chinese are not no one likes to stress this too tively separate from it. The 45 per cent. of administrative under "pressure" from various openly. an autonomous self-maintenance of "contact" with grade (though not as yet, many sources). The inspectorate, as pressure, the colony of the contact of the contact of the contact of though not as yet, many sources). The inspectorate, as prering entity. The Colony EEC officials is supposed to stop of the very top posts) are now well as the police generally, was ets no financial grant from short of actual negotiations, filled by Chinese. According to one senior Governs so when it comes to something ment source has on balance like arguing with the EEC Comprobably been making money mission over access to the EEC out of Hong Kong since the Generalised System of Preferdefence agreement was renegotized last year. As a countercountries. Britain has to play
part of economic self-sufficiency
the double role of EEC members
the double role of EEC members the double role of EEC members the double role of EEC members the double role of EEC members the double role of EEC members the double role of EEC members the double role of EEC members the double role of EEC member Hong Kong has the authority to and spokesman for Hong Kong, run its own financial affairs; and In CATT the situation is the assured but rather indi-different again: the official appeals to the Treasury in Kong but must do so in the autonomy and preserving poli-open and represent itself intical appearances, however, is clude the Textile Supervisory one that has to be very carefully Body of the International Multioperates in two major areas— tion whose members do not

#### Simpler

The first of these is really the careful not to claim a separate in various major world markets existence, for fear of upsetting but which is not a full Governown economic interests in ment. Experience suggests that need to be actively promoted by trade promotion and does not someone closely concerned in on the whole get involved in the Colony's affairs but which other aspects of Hong Kong's cannot usually be taken up bilateral economic relations. directly between the Colony's Government and the other sentation could be described as parties concerned. The approach to this dilemma varies accord-Hong Kong has its own man has a public service numbering stationed in the British Em- 114,000 people, which is headed British universities

which would imply sovereignty,

In GATT the situation is

One can see new it Fibre Agreement, an organisabe British.

The problem is, in ment department, like the Com- Kong gets its administrators diplomat who has had to learn

Hong Kong's overseas repreemployee of the U.K. Here too however, there are Oxbridge (or similar) araduate but could also be a British home eign Office but his salary is balances to be maintained and applicants each year for about hines to be drawn. The Civil four to six administrative grade hot inconceivable; a politician. In Brussels, Hong Rong main Service used to be dominated posts.

the British Embassy but in fact to the extent that 85 per cent, supposed to take too many jobs

stration has been generally This problem has now been regarded as a change for the solved, however, at least for the good. It has put the Colonial time being by redoubling re Covernment more in touch with cruiting efforts in Britain. the ordinary Chinese population of Hong Kong who may not ting the right quality of men for vidualistic style in which it does so is not necessarily one that who "talks only about Hong rins." More and more senior Kong's last colonial-type Government. Whose the motives of the British "manda- choice of a Governor. Hong rins." More and more senior Kong's last colonial-type Government. aiways understand the idea or the Civil Service is the correct London or to quite a large name of the British Government. The places where Hong work their way up the seniority present incumbent. The job of Kong can come out into the ladder, but there will always Governor in Hong Kong nowahave to be some expatriate days requires a baffling range positions at the top, for of qualities which include: the two reasons. One is that ability to deal with (and on occa-China would not tolerate "self- sion be tough with) Whitehall overseas representation and have to be sovereign, and the government of Hong Kong by a diplomat's grasp of the three internal administration. Asian Games, where Hong Kong its own local population. The way relationship with London resian cames, where mong cong other is that, so long as Hong and Peking: a politican's flair teams (made up, of course, of the course of the c Chinese athletes) can compete Kong remains a colony, it must for communicating with and Chinese athletes) can compete be governed by officials who being understood by ordinary without having to pretend to know how to handle their people; plus some interest in opposite numbers in Whitehall, and capacity for handling the Hong Kong also has its Trade Recruiting high quality administrative problems. simpler of the two although, to Development Council, a body strative staff from Britain is quote a senior Government which promotes the Colony's therefore one of the things Diplomat official, "we have to be very exports through its own offices Hong Kong has to be able to

essence, that Hong Kong has its merce and Industry Depart-have changed quite a lot in the late in life how to run a city various parts of the world which the TDC keeps to the job of the years. Up to the mid of 4m, people. Sir Murray spent territories. When the supply of London, Singapore and Tokyo these began to run out as the before he took up his post and colonies themselves disappeared the view of most people is that Hong Kong began to take a he does the job well. The next more active part in looking for incumbent may have to be makeshift, but effective. Its its own future civil servants chosen as early as next year ing to situation. In Washington, far from makeshift. The Colony (for example, by sending its since Sir Murray reaches retireown team to tour selected ment age then. But informed bassy working full time on by officials whose calibre probbilateral trade issues. The diplomate concerned is theoretically Britain's own Civil Service. Service claiming an average of 50 to 60 but could also be a Privile home.

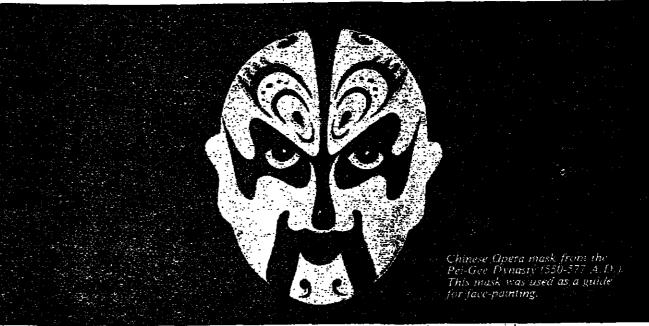
The EEC by expetriates, with even More difficult has been the

The switch to local admini- which filled the British Press,

At least as important as on

The means by which Hong Murray Maclehose, was a career 1960s the Colony relied on six months studying the probretreads" from other colonial lems of major cities such as each rumour in Hong Kong suggests

# Corporate Banking Services in the Far East



Wardley Limited carries out merchant banking activities in the Far East. Based in Hong Kong, Wardley provides banking advisory and financial services to corporations and to government bodies in the Asia/Pacific Region as well as to major international companies who plan to develop in the area. Wardley is a wholly-owned subsidiary of The Hongkong Bank, one of the largest banks with its head office in the Far East and active in developing business in the region for over 100 years.

#### Corporate Advice

Wardley advises companies and government agencies on the financing of short and long-term development plans, specific projects and more general schemes of expansion.

#### Raising of Capital

Wardley understands the syndication of loans and the offering of bonds in domestic and off-shore currencies. It also manages the stock market flotation of companies and the raising of new equity and loan capital for quoted companies.

#### Acquisitions

Wardley has extensive contacts throughout the Far East and is well placed to represent the interests of overseas companies seeking to extend their operations in the region through acquisition, merger or joint venture.

#### Project Finance

Wardley offers a comprehensive \$\xi\$ the gold bullion market. advisory service for major industrial projects which require complex financial planning over a number of years. This support is of particular value to con- . . tractors involved in competitive

bids for large scale projects in which finance is often a key

# Money Management

This ranges from the acceptance of deposits to the management of the investment funds on a discretionary basis. Wardley is also active in foreign exchange and



是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们也会会会会会会会会会会会会会会会会会会会会会会会会会会 第一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们就是一个时间,我们

Wardley Limited, Hutchison House, 5th Floor, Harcourt Road, Hong Kong, Tel: 262011 GPO Box 838. Cable: Wardley Hongkong, Telex: 75440 WRDLY HX. For further information contact David Cameron Moore

# Fiscal system

not account for more than 20 increasing.

radical than it pretends. Though have leaped from actual spend-with a few important exceptions forgo some economic growth in the underground railway has ing in 1975-76 of about like tobacco, alcohol and motor favour of welfare and services Government as, for example, the sharply after actually falling some that it does not artempt made to pay more, any subbeing financed almost entirely with borrowings, mostly from increase will be substantial.

Although the taxation system sounding silence. Though purports to be neutral in the doubtless the rich could be sense that it does not artempt made to pay more, any subbeing financed almost entirely cement prices, the actual volume would economy in general or the have to impringe on both the pattern of industry, the effect is growing middle class and the overseas, which are guaranteed after falling last year.

currently absorbing a major ments in recent years.

When British commentators been given.

When British commentators been given.

When British commentators been given.

Of importance, however, in keyping down future rises in costs of land and industrial and laws they are right, except what way for a few years. Given existing commitments, whether or not this can be achieved will depend whether economic growth revives sufficiently to provide not only more revenue.

Total reserves as a perturbation of importance, however, in keyping down future rises in costs of land and industrial areas in the development of new towns and laws they are right, except what Hong Kong lacks most. The distribution prefers ment of new towns and areas in the New distribution prefers are distributed by the development of new towns and in the New distribution prefers are distributed by the development of new towns and in the New distribution prefers are distributed by the development of new towns and in the New distribution prefers are distributed by the development of new towns and in the New distribution prefers are distributed by the development of new towns and in the New distribution prefers are distributed by the development of new towns and are development of new towns and are some distribution prefers are distributed by the development of new towns and are development of new towns and the few povide not only more revenue but also take the pressure off ands for greater Govern Sufferers

from tradition by being pre and housing spending which also a major redistributive regarded with some distrust. pared to finance some capital exobjectives could prove a serious total revenue comes from to Government. The fewer the penditure by borrowing. How- strain on the construction indus- property taxes, rates, property demands governments make, the ever Mr. Haddon-Cave has indi- try at a time when the mass income and land sales. Land fewer the requirements to pay cated that borrowings must be transit project is getting into is of course naturally searce off corrupt officials. So though kept within two arbitrary limits full gear and private construct and by keeping prices high Hong Kong's residents would he has laid down. They should tion spending shows signs of through restricting the flow of certainly like more education.

current prices, or about 10 per than might be expected given gested two years ago that there In a sense, however, the Gov- cent, in real terms, public works the low rates of direct taxation, should be public debate on erument has been much more and housing budget estimates the lack of import duties and, whether the Culony should been hived off as the Mass \$HK1,500m, to a \$HK2,350m fuel, excise or purchase taxes, spending, the response was re-Transit Railway Corporation, it target this year. While con-

ments in recent years.

To the extent that there is

SHK431m. originally estimated. In so far as Hong Kong's tax the gross migrale, infation and ditions, exploitation and their

It has meanwhile departed creases in actual public works the revenue side, property is being aliens they are naturally not account for more than 20 increasing. Crown land sales the Govern nousing, neatta services and per cent, of capital spending, and debt servicing in any year should not exceed income from investment of fiscal reserves.

Crown land sales the Govern nousing, neatta services and ment can keep property social security it is not clear back actual spending this year revenues buoyant. All this how far they are prepared to be while overall expenditure is helps to account for the lact taxed, aimed to grow 16 per cent, at that revenue is much higher. When Mr. Haddon-Cave sug-Grown land sales the Govern-housing, health services and Although the taxation system sounding

by the Hong Kong Government. Some accuse the Government custries. The fact that the businesses. Even the Com-Its debt, including capitalisation of having a fetish about capital Government has provided cheap munist press is wary of sugof interests, will peak at around spending and public works to land for a few favoured new gesting that more tax HES,600m. in 1981, or slightly the detriment of provision of industries, notably a plastic would be a "good thing." Agart from the contingent that capital spending is more liability which has been incorred, fiscal reserves as a percentage of expenditure have once given, cannot be withmore than double the Colony's services such as education. Cer- plant and an outboard engine

and welfare beneats are simply reduce the quota and lariff For the carrent year, the Financial Secretary is budgeting for a \$HK355m. deficit. It is unlikely to be so large even

Blemories are still strong of condemn largely on account of huge system redistributes income, official exterior in China under exits in Hong Kone they do so therefalls in public works and the major beneficiaries are Chiang Kalshek. Many came to for their own political benefit housing spending. Though the occupants of public housing, Hong Kong to escape like honest not that of Hong Kong's remarked Secretary has accept some of whose rems are sub-that rigidly authoritarian Com-workers the much singler defect source even after excluding the musist government. As for wheatigshe only sectional land cost From hong Kong's colonial miers.

silence. pattern of industry, the effect is growing middle class and the to discourage land intensive in better paid workers and small

When British commentators It is often assumed that Hong Kong without so much as men-Kong's low rates of direct total tioning a factor that could do ation, the non-progressivity of more than laws and taxes to tax, and the relatively small raise employment opportunities amounts of transfer payments and wage levels in Hors Kong-Kong's population is sophisti after taking into account salary increases for civil servants not provided for in the Budget. Last year's deficit was only about \$\frac{1}{2}\$ and the sick, those with large \$\frac{1}{2}\$ to the sick those with large \$\frac{1}{2}\$ to the theory. The sufferers, of truth in the theory, the cated and cynical enough to know that when British MPs much deeper than the capitalist truth in the theory. The same breath as they will be the sick those with large truth in the theory. The cated and cynical enough to know that when British MPs much deeper than the capitalist truth in the theory. The same breath as they seem to be about the same breath as they seem to be about the same breath as they condemn "sweatshop" condemn "swe



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# Reflection

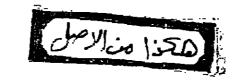
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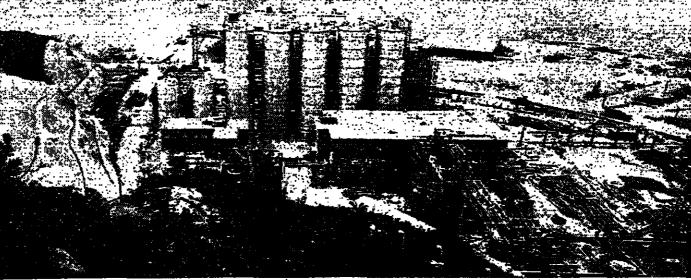
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Dow Chemical Pacific's polystyrene manufacturing plant, which is near completion. The plastics industry produces components for a wide range of products, and this plant will provide the first domestic source of raw material.

Demand for financial accommodationfrom Hong Kong's high velocity commercial economy postulates a substantial banking structure. This the Colony has, and despite recession its confidence remains largely unshaken.

# Banking

Product at current prices in and an orientation of banking illness, unemployment or what- end of 1975 were below those a 1975 (by preliminary estimates) business towards trade rather ever. of \$HK35.4bn. Take the total than term lending, personal assets of the Hong Kong banks, loans or inexplicit provision of not simply a bogey dreamed loans in Hong Kong itself, it is which currently total \$HK67bn working capital via overdraft up by a remorseless and fiscally reflective of the general and we have a figure nearly facilities.

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While it is true that commer-Colony's external trade. Two- tively narrow capital bases. Thus world. way visible trade is running at though the Colony has a very a level of around \$HK70bn, a substantial deposit base the year, to which must be added economy tends generally to be Inflation fairly illiquid, with manufac-

> purchases of raw materials needed to complete their next

savings system or other Govern-

How much is cause and how —at least by British standards rency upheavals in Europe All the banks have come —little gearing. Housing fin when the HK doisir moved up through the recession pretty ance has been growing in im-roughly in line with the German well unruffied. The same is portance for the banks and mark.

also true of the dozens of

## Outlets

Life insurance has yet to secause of the lack of sustable well be on the verge of just outlets for investment funds there are almost no Government securities, few other fixed interest securities, and equity inance element has been boosted by the recent introduction by both the Hongkong and Shangthere is a lack of savings.

be about one savings account despite the lack of foreign for every two people in Hong exchange controls. Then a com-Kong, Savings deposits totalled bination of capital outflow, SHK3.3bn. at the end of general currency upheavals and SHK3.3bn. at the end of general currency upheavals and able on finance company February last compared with increased awareness of the Asia deposits or lending—though February last compared with SHK9.9bn. a year earlier dollar market and other outlets deposits or tending—inough sHK9.9bn. a year earlier for surplus funds, pushed Hong they will be once the Ordinance Admittedly this leap came after for surplus funds, pushed Hong is fully operational—so it is two years of stagnation and was Kong interest rates sharply partly eccounted for by a move- upwards. ment back to savings deposits. But since the end of 1974 However, their growth in recent

THE IMPORTANCE of banking very substantial invisible compeople in Hong Kong have suf-resulting from the trade recestor Hong Kong can hardly be merce. The financing of this fered in the past—and often sion—though loans have picked over emphasised. At the end of trade and attendant manufactual suffer because of the low up sharply in the past few February last, domestic deposits turing (a relatively small part level of Government social months.

of Hong Kong's 74 licensed of the trade now is entrepot security—makes more than in. (The Hongkong and Shangbanks totalled SHK37.5bn. This business) necessarily demands most places, savings a valued hai Bank annual report shows compares with a Gross Domestic a large banking deposit base, cushion against misfortunes of that loans and advances at the Broduct at current prices in and an orientation of basking illness unemployment or what end of 1975 were below those a

straightlaced Government to climate.) keep the natives in line. Just A related While it is true that commersuch figures that either the
gaged primarily in the funding
banking system is ludicrously of short-term commercial transover-liquid, or that the economic over-liquid, or that the economic actions, this is particularly the inflicted on China not been Similarly amounts due for the control of the

mammoth proportions of the and traders operate on rela-strongest currencies in the Colony's development as a

turers rushing madly to their passed Hong Kong. The exteras security for the financing of nal orientation and open nature Secretary on interest tax, banks of the economy mean inevitable may now be more concerned importation of the phenomenon. that the recently appointed Consumer prices increased by Inland Revenue Ordinance 14 per cent, in 1974 and 18 per Review Committee may recom-A second factor in the import- cent in 1973—but only 1 per mend changes in the tax code ance of banks is the relative cent in 1975. Part of the 1973 which would tax profits on underdevelopment of other increase was attributable to some earnings at present financial intermediaries. True, domestic inflationary pressures classed as overseas earnings and finance companies many owned which might have been avoid therefore tax exempt. by banks—have grown rapidly in able. But generally the best recent years. But life insurance that can be expected is that assets of the banks should companies are fairly undevel- Hong Kong does not add to have helped keep profits on a oped. Building societies do not the inflation imported from its fairly even keel at a time when exist. There is no Post Office principal trading partners.

Jovernment does not borrow rates at a time when thank marginally higher low level and there are no speci- at times been lifted into the Hongkong Bank, for example, fic incentives to home finance in- superclass of currencles. This through loss of its business in stitutions. Residential construction was particularly marked in early South Vietnam.) tion is primarily funded by the 1975 when the rate against the Covernment, and secondarily by U.S. dollar rose to SHK4.60, and property companies which have again recently during the cur-

continue to increase but it is manufacturing economy. It is casualties, ments surpluses will be reflected

such a period. The currency is strong and is likely to remain so in general terms — reasonably assuming vestment is still often seen as that fiscal policy remains conmore speculative than it need servative and wage increases do be. However, the concept of not become institutionalised. regular savings with an insur- But fluctuations will occur and sought nor acquired.

Apart from a general feeling hai Bank and the Chartered of confidence—and the capital of provident fund inflow that results from a firm schemes. The lack of more currency it has also lead to a have finance company subspecialised media should not of return to relatively low interest sidiaries the field is notable course be taken to mean that rates. Up to 1973, Hong Kong for the presence of both major had appeared curiously isolated There is in fact believed to from world interest rate trends

from time deposits due to shifts rates have again been both low years, though halted by the in interest rates. But consider- and stable. The best lending recession, suggests that broad ing that the wealthy sections rate, for example, has been un-definition money supply has of the community are unlikely changed at 6.5 per cent. since risen even faster than the bankto keep much of their money March, 1975. This has been the ing figures suggest. They have in savings accounts, the figures result of a combination of an also been a medium for inflow reflect the extent of thrift apparent (no precise figures are of financial capital from over among large sections of the available) current account seas. surplus, an inflow of capital and The insecurity that many low level of demand for funds

ever. year previously. While not For that reason inflation is necessarily caused by a fall in

over-liquid, or that the economic actions, this is particularly the structure is based heavily on debt finance. Neither is the case in Hong Kong. Trade is to debt finance. Neither is the case a large extent with distant countries, involving long ship admittedly more liquid than for several years.

There are two basic reasons generally engaged in high turnfor the situation. The first is the over, low value-added industries, mammoth proportions of the and traders operate on relational fine the NMT shik 21.70n. In February 1970. In Pebruary 1970.

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In financial centre. This issue.

which was so widely discussed 18 months or so ago no longer attracts any attention.

Instead of thinking about a The increased size of total

loan demand was low, interest This has certainly not rates were falling and bad debt ment-sponsored savings mechan-occurred over the past 18 provisions were presumably af months, with weak export a substantially higher level demand and for a time high than for some years. Most much is effect is not clear. The unemployment reducing wage banks in the Colony reported regularly, so there is no built in fully, food prices were tending though there may have been spur to an official savings system to fall. The net result has been some use of hidden reserves to or giro. Home ownership is at a that the Hong Rong dollar has cushion bad debt blows. (The

also true of the dozens finance companies in recent But this performance may be finance companies, big and years and can be expected to too strong for a sensitive export small. There have been no still relatively unimportant. It also unrealistic, partly because achievement under the circumwill be interesting to see how its of the economy's extreme exter- stances, but also one partly due growth affects the relative posi- nal orientation and partly be to the fact that bigger interests tions of the banks and finance cause, over the medium to short lie behind many of the finance term substantial belance of pay- houses than is often apparent Ironically, it is only recently in a rise in wage rates and (after the storms) that the spending generally, which will Deposit Taking Ordinance, be quickly reflected in a rise in designed to regulate finance

catch on in Hong Kong, partly imports. The Colony now may companies, has come into force. Originally conceived as measure to protect the small depositor, the Ordinance effectively denies small depositors access to finance companies by imposing a minimum \$50,000 deposit. Many of the smaller finance companies are likely to have to close down. As for the larger ones, it is possible that they will strive harder to attract larger depositors away from the licensed banks.

Though the larger banks all local Chinese business interests without direct banking connections, and for foreign banks without local branch licences. No figures are at present availdifficult to estimate their importance in the credit system.

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## HONG KONG VII

Stock market regulation, company legislation and reporting are less sophisticated than elsewhere in the industrial world. But a conservative approach makes for underlying strength in the company sector.

# Stock market

OVER THE past year, which not had their share of prob is beginning to show some existing issues. Most spectacular needed to put a backhone into saw the peak of the impact of lems. Several have had their teeth. However, it still lacks was Jardine Matheson's raising, the market. Thus the Hutchison two years of recession on the profits slashed. Dividends have sufficient skilled staff for the in two tranches, of \$HK500m. shock had little impact on the Colony's economy, only two pubbleen passed or cul. Many of labour-intensive work of investive a rights issue of convertible market as a whole—investors licly quoted companies have the small hoom-time companies gation and supervision. The loan stock. Hong Kong and were sensible enough and had been seen to approach the brink have almost stopped trading of hardwards. One of those was allogether.

Selwan is believed to the press. Kowloon Wharf and Hong Kong and exceptional case.

was rescued last September protected themselves to a large from a near-fatal liquidity crisis extent by long-term charter by a new capital injection of arrangements.

SHRI50m., put up by the Hong-kong and Shanghai Bank.

Though Hill's accounting meth-

Bank. from underwriting a by feeding shareholders a pretty place the four existing stock exights issue which would have bare minimum of information, changes with a single one. This raised \$HK150m, from existing and for producing uninforma- would make it easier to deal in shareholders was unsatisfactortive accounts. Far too often it large lots; administration could ily explained—given that the happens that auditors will only be automated; listing require-Bank itself provided the money state that accounts present a ments could be standardised—but prevented an issue to existing shareholders on similar terms. There was criticism too of the price paid by the Bank—SHK1 a share compared with a state auditors will only be automated; listing requirements only be standardised—and improved; and there would than "true and fair" one. Standards have improved since fessional brokers.

Mr. Selwyn recently began visions came into force last year first steps towards a single of the price paid by the Bank—visions came into force last year first steps towards a single of the price paid by the Bank—visions came into force last year. SHK1 a share compared with a quoted low of around \$HK1.60 but the situation is still unsatisand a current price of around factory, and probably puts some some thoughts on the subject for

#### Instructive

once-off profits for expansion, it Moscow Narodny Bank loans by financed growth by heavy bor-rowings, servicing of which became a crippling burden, very few assets in Hon; Kong, Also, it reduced its holdings the Moshert Holdings chares in many former subsidiaries to were fittle trained and most of the four, given the wide variations in their assets and in turnover per member, a new exchange a crippling burden, very few assets in Hon; Kong, Also, it reduced its holdings the Moshert Holdings chares in many former subsidiaries to were fittle trained and most of the four, given the wide variations in their assets and in turnover per member, a new exchange would have to be created. in many former subsidiaries to were little traded and indeed Seats associates and was thus unable the company seems to have Seats flow of some of these companies much as anything. coherent business strategy.

but not unique among the done by outsiders and not by many bought them at high prices Hongs. HIL did at least break local entrepreneurs. In fact during the boom, Compensadown capital and recurrent pro-there have been home grown tion raises the problem of seat fits. The directors of Wheelock problems as well—the Paul Lee values. Evidently one on the Marden considered themselves fraud case for example. But Far East Exchange, whose 340 above such obligations. Their perhaps outsiders were quicker registered brokers had 45 per recent announcement of a sharp to spot the potential for exploit- cent of total turnover last year, profits and dividend drop fand ing Hong Kong's under is much more valuable than one the need for a rights issue) regulated market than the on the Kowloon Exchange. came as a shock to the public locals. which had not been aware of Steps how reliant on capital profits regulation are still being made. Wheelocks had evidently be-. A takeover code has been intro-

is deeply indebted to a couple launched during the boom.

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company with a string of un-they proved more prepared. The Commissioners concern Corporation will be commissioners concern Corporation will be commissioners concern Corporation will be commissioners. No, it was none of these. It to preserve cash as soon as they steady stream of apparent ex- Many of these issues show vas a major European "Hong." saw hard times ahead rather amples of insider trading, some that Hong Kong is now prepared Eutchison International, a name than ploughing on with blind involving important announce to take convertible or straight at one time almost as pres- optimism. The only exceptions ments by major companies. A debt issues seriously. In the tigious as that of Jardine to the low gearing rule would be big investigation is currently past the fixation with quick Matheson or Swire. HIL the shipping companies and they under way into dealings which capital gains made many scorn

panies which are basically very here to some glaring examples despite the slump. of its problem was a shock.

The rescue attracted some conservatively run, even though of the practice suggest that they conservatively run, even though of the practice suggest that they are some often in high risk business do not regard it as an undesired sarily mean that they will now see steep profit rises as the areas. They perhaps spul their able practice.

Another step towards an imeconomy expands again, they handsome and character more sombisticated investors—

Though this does not necessarily mean that they will now see steep profit rises as the economy expands again, they more sombisticated investors—

Though this does not necessarily mean that they will now see steep profit rises as the economy expands again, they more sombisticated investors—

Though this does not necessarily mean that they will now see steep profit rises as the economy expands again, they more sombisticated investors—

The rescue attracted some conservatively run, even though of the practice suggest that they will now see steep profit rises as the economy expands again. Hongkong and Shanghai more sophisticated investors— proved market would be to re-showed the defensive strength companies in a worse light than discussion by the exchanges. Unfortunately they were probthey deserve.

HIL's problems were instruc-tive. In the first place, it had for far too long relied on capi-this year. It was a key part of the principle of a single ex-change or just to some of Sal tal profits to pay dividends— the amazing and now collapsed change, or just to some of Selwhich had been generous in re- Mosbert empire built up to a wyn's specific ideas. As it would need the page the cent years. Instead of using such large extent on the back of not be possible to amalgamate to make use of the positive cash existed for tax purposes as Mr. Selwyn would like to see

300 companies, most of them the share dealing activities of to determine who time, rather than fitting into a Kong observers to suggest that he put out to tender.

towards

To mention the case of HIL has become more active in seek- would lose out from reduction and Wheelock is not to say that ing explanations from com-Chinese-run companies have panies for their behaviour, and

of bankruptcy. One of those was altogether.

Selwyn, is believed to be press- Kowloon Wharf, and Hong Kong and boom-time wonder company.

But the mass of large and ing the Government to activate Telephone are among others to no highly speculative property medium-sized companies have provisions in the law against in- have raised new capital. The

Parenthetically it must be ably too specific and were repointed out that one listed com- jected out of hand by all the

the number of brokers drasticto sustain the group as a whole. Mosbert, and a couple of not ally reduced - he suggested HIL was also a victim of its dissimilar cases, together with about 300 against the existing weak, rambling structure of over the controversies surrounding 950. But it would be difficult Ralli-linked get the seats on the new garded as a "good buy" at some companies have led some Hong exchange - though they could most of the damage done to who lost their seats would want HIL's failings were extreme, Hong Kong's name has been compensation particularly as whose 147 brokers shared a

greater mere 2 per cent, of turnover, Institutional rivalries and Jealousies are also involved. The duced, based on the London ver- Hong Kong Stock Exchange, the Now that capital profits have son but watered down in original and most Europeanbeen exhausted, the company several respects - notably it oriented, might be particularly has graciously determined to lacks a 30 per cent, rule. This loth to lose its identity. It is give in future breakdowns of omission is probably desirable now only third in turnover. the nature of profits. At pre- in local circumstances where though its 127 brokers have the the accounts of the other companies, or individuals, highest per head turnover. Wheelock group companies often already have actual or Though many of the bigger baffle analysts who attempt to effective control of public com- Chinese brokers would be happy get a clear picture of the over- panies. Partial bids may also be to see a single exchange they all situation, though one fact is a way of restoring to life some are not necessarily prepared to clear-that the parent company of the burned-out shells say so too loud for fear of offending the many single The Securities Commission trad sole trader firms who

> Mr. Selwyn appears earnest in changes are intransigent he will need Government backing to

in numbers.

make progress. The sharp revival of turnover this year will certainly not have helped the idea of a single exchange and some members who were inactive now find and thus less reason to be prepared to drop out of broking - though many registered brokers remain inactive and are simply sitting on their seats in the hope of eventually dis-posing of them for a reasonable

Generally speaking the market appears to have gained much in maturity, though this has not necessarily been good for turnover. Between May and December last year the Hang Seng index moved within an extraordinarily narrow band around 320 on turnover at a low ebb. The first quarter of 1976 saw a sharp advance on increased turnover in response both to the sharp pickup in the economy and the strength of Wall Street. even so, the advances have been punctuated by regular bouts of more selective. Third rank stricks - when traded at all are (generally rightly) still at

rery low levels. Given the high liquidity of the banking system sharper advances might have taken place but for the proliferation of major issues. These showed that the Hong Kong market is still one where capital can be raised. not just a secondary market in

Selwyn, is believed to be press- Kowloon Wharf, and Hong Kong it was an exceptional case.

developer, no manufacturer suf- kept out of real trouble because sider trading—though included Rong Rong Government has den the recession better than fering a disastrous sales slump they had very low, or non- in the Securities Ordinance they made a major bond issue and expected, though there have in its major market, no shipping existent, gearing. Secondly, are not yet in force.

The Mass Transit Railway been some salutary examples of fering a disastrous sales stump they made they made sering. Secondly, are not yet in force. the Mass Transit Railway been some salutary examples of secondly with a string of un-they proved more prepared. The Commissioners concern Corporation will be coming to bad management. Reporting standards and supervision are have a long way to go. Investors dards). cannot be ruled out if liquidity remains high, velocity of money increases and a surge in property prices provokes an of its profits collapse. It can may also be attributed to the even sharper surge in share reasonably be debated whether fact that while HIL and prices. Dependence of the stock market Though HIL's accounting methods and management had long

What emerges then after the Hong Kong's circumstances. Jardines, Swires and the Hong continuing uncertainty in the reactions of some Kong Rank have managed to other hand, continuing uncertainty in the reactions of some Kong Rank have managed to other hand. ods and management had long been subject to severe criticism from some quarters, the degree medium to large local compensors in positions of influence increase earnings per share has cast only a slight cloud prices down even if economic conditions and profits advance

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Robert C. LeVine Energy

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# BUSINESS **PROFILES**



H. N. Harilela.

#### HARILELA GROUP

his command of the Cantonese International, a hard pressed language as "excellent" and his trading conglomerate whose proficiency at tennis "very chairman had invested indisman who knows his strengths stock exchange and his weaknesses. .

Six years after he was were later to be joined by a time is ripe." sixth) opened their first tiny Outside Hong Kong the bank YMCA in Hong Kong's Tsim Sha East Asia. It also has stakes in Tsui district during World India and the Middle East

Japanese occupation of Hong Bank of the Middle East. Hong Kong, but with the Japanese Kong, however, is its most surrender in 1945 hundreds of profitable area because of the troops began landing in the probably the place where least olony and Mr. Harifela's "36 external interference is exnour custom made suits" were perienced in management and

spawned so many competitors local governments to regionalise that by 1957 the brothers—under its staff structure. he leadership of second son Hari-saw the need to diversify. To-day the Harifels Group of Companies with "Mr. Hari" as managing director, comprises retail outlets in Hong Kong, Okinawa, Guam and Frankfurt: manufacturing ventures such as a stainless steel cutlery plant in Kong and Malaysia: and hotels, including the Hong Kong Holiday Inn.

Management, says Hari Harilela, has presented no insurmountable problems. The six brothers are close-they and their wives and 20-add children share a purpose-built bedroomed house-and all have their own individual responsibilities within the business.

But he recognises that day-today management of HK\$300m. empire may one day have to pass into non-family FOREX hands, and Harilela is much concerned to-day with finding GROUP experienced executives who can carry that burden when the

scope some basic lessons into a that Mr. Au, managing director arrays tradition and other loans short space of time, he persists of the Forex Group of Com-Export credits and other loans sector—"What will follow in the belief that experience, panies, has been without offers, will all be paid off by 1992, denim —or at least refuses the and most of all "the setbacks." But the foreigners who wanted Mr. Thompson says, although be drawn on the result of his are the best teachers.

leisure time reading "condensed Wanted a majority stary, some until 1979.

life for many people regardles books plus religion and philothing which Mr. Au was not until 1979.

life for many people regardles books plus religion and philothing which Mr. Au was not until 1979.

Mr. Thompson says it should of their nationality or social



John Boyer

#### HONGKONG BANK

missioner who comes here His schedule leaves him little wants to set up a Central Bank free time, which disturbs him but then decides it's not worth not at all as his work is his "you can get things done and "public interest" directors of the expense, says John Boyer, play. He views traditional Hong General Manager of the Hong-Kong Chinese practices such as the plans to pany (1933). He was also until stay long chough to see through records the Hong-Kong Chinese practices such as stay long chough to see through the contact of the Hong-Kong Chinese practices such as stay long chough to see through records chairman of the Hong-Kong Chinese practices such as stay long chough to see through records chairman of the Hong-Kong Chinese practices such as stay long chough to see through records chairman of the Hong-Kong Chinese practices such as stay long chough to see through records chairman of the Hong-Kong Chinese practices such as stay long choice to work because Lung Development, the Apager is a good place to work because Lung Development, the Apager is a good place to work because Lung Development, the Apager is a good place to work because Lung Development, the Apager is a good place to work because Lung Development, the Apager is a good place to work because Lung Development, the Apager is a good place to work because Lung Development, the Apager is a good place to work because Lung Development, the Apager is a good place to work because Lung Development, the Apager is a good place to work because Lung Development is a good place to work because Lung Development is a good place to work because Lung Development is a good place to work because Lung Development is a good place to work because Lung Development is a good place to work because Lung Development is a good place to work because Lung Development is a good place to work because Lung Development is a good place to work because Lung Development is a good place to work because Lung Development is a good place to work because Lung Development is a good place to largest in the colony, even if of a foreigner and regards the one ignores the 59 per cent. "Chinese desire to hear only

Chinese in origin, and the their fingers burnt. it says is becoming an in- his prediction of creasingly costly business. It Mr. Au travels also issues about 75 per cent. of Forex's

companies get into trouble. The last time this happened that if jars to hear him describe stepped in to rescue Hutchison

good." But H. N. Harilela is a criminately during the 1973 acquiring a substantial shareborn, holding in Hutchison last year in Hyderabad in 1922, the and taking responsibility for the Harilela family moved to company's debts, the bank said Canton, which they left in 1934 it was acting "reluctantly" and for Hong Kong - hence the was not seeking to protect its command of Cantonese. With a own prior interests in the compropitious sense of timing the pany. It plans to sell its five Harilela brothers (they Hutchison shares "when the

tailors shop just behind the is active throughout most of through its interests in the Business was slack during the Mercantile Bank and the British Commonwealth colony's low tax rates. It is also staffing policies. Elsewhere in But Harifela's and the two Asia Mr. Boyer says the bank other custom tailoring houses failed to anticipate the speed at TRANSIT then operating in Hong Kong which it would be expected by





Stanley Au.

time comes.

While he feels that formal European partner. Reason: \$HK8000m. will start to go lateral thinking ideas. The management education is useful to the degree that it can telescope some basic lessons into a of the Force Group of Com. Export credits and other learns and the lateral to the force of the Force Group of Com. Export credits and other learns and the lateral thinking ideas. The much of Hong Kong's testiles. to buy into his 16-year-old mer- the first hole was only dug last own deliberations on the topic, chant banking empire also November and the first train on Instead he points out that A Hindu, Harilela spends his chant banking empire also November and the first train on leisure time reading condensed wanted a majority stake, some the 15-station line will not run denim is now almost a way of

kong Bank Group, which per- playing mah-jong "I take a posiforms most of the functions of tion on something every day; stage one of the underground Kong Federation of Industries a central bank but claims not why should I gamble in games project and possibly longer, and the Hong Kong Training really to enjoy doing so. The of chance "-and keeping busi- That depends on how soon the Counci, and has led a number ing Corporation is by far the with the faintly amazed disdain ing stages, which would extend the Ecanomic and Social Com-Hongkong and Shanghai Bank ness strictly within the family. stake in the Hang Seng bank good news" as the major reason

which it has held since the 1965 why 85 per cent. of those who banking crisis. Its depositors are invested in the 1973 (Hong probably over 90 per cent. Kong) Stock Market boom got

majority of its 130 branches. When three-quarters way throughout the colony are through the boom the Forex Chinese managed. But the top monthly newsletter was telling posts are all British and will no investors it all had to end. Mr. doubt remain so. The bank's Au was dubbed the "Super head office, with Trafalgar Bear" by the local Press. Early Square-type lions flanking its this year his nomenclature was entrance, stands next to the reversed with Mr. Au becoming taller but on the whole less im- "Super Buil" thanks to his preposing headquarters of the diction that the Hang Seng Bank of China in the very heart share index would hit a 500 of the business district. Its mark this year-it rose sharply charter requires it to store coin- in March to hit 450 but has age for the Government, which since slipped. Mr. Au sticks by

Mr. An travels widely to meet the notes in circulation in Hong Europe. South East Asia and the Kong and acts as unofficial United States, and feels strongly United States, and feels strongly INDUSTRIAL lender of last resort" when that "banking is a human business and we have to know THE WINSOR Industrial Core each other." His travels have ration was not the only Rong a soft spoken diffident manner was in 1975 when the bank also led him to conclude that he Kong company to make a record would prefer his potential part- profit in 1973-74 and then see per to be European "because it slump to pre-1969 levels in they understand such human re- 1974-75. lationships far better than the trial's chairman, Mr. T. K. Ann,





MY RAILWAY EXPERIENCE is nil, but I do profess to know how to run something at a profit," says Mr. Norman Thompson, chairman and chief to run Hong Kong's new under which he identifies into real ground system. Mr. Thompson's action. past career justifies his claim In his youth in Shanghai his o be able to produce profits. He had the job, as managing world" led him to study a director of Swan Hunter in the number of European languages. late 1960s, of reorganising the But for Mr. Ann study means old Singapore naval dockyard output as well as input and into a commercial (and to-day after several years of learning very profitable) ship repair French he wrote a manual on yard. After that he went to French pronunciation. The work Cunard, which was losing £3m. was never published "due to the a year when he arrived and war and other things." and are making a profit of £12m. a year 1948 he moved to Hong Kong when he left. The emphasis on and continued in the exporting profit is important because business which he had already Hong Kong decided, after begun in China. arguing for ten years about its underground scheme, to carry, into textile manufacturing out the project as a commercial finishing venture which is:no Corporation which is wholly garment making interests. THIRTY - FOUR - YEAR - OLD owned by the Government at

sophy" and has set himself a strict target of 60 pages a day.
His only regret is that the huge Harilela family has not yet produced a tennis player good the Hang Sang Bank, Stanley Au underground network rather the Hang Sang Bank, Stanley Au underground network rather follows denim at the huge hand should be possible to run the line at class. He adds too that Hang Born in the Portuguese colony a profit because it represents Kong is uniquely placed to take the heart of a typical city advantage of whatever fail follows denim at the house than a complete system with the proposition of their nationality or some of their nationality or some of the possible to run the line at class. He adds too that Hang advantage of whatever fail follows denim at the house than a complete system with the proposition of their nationality or some of the possible to run the line at class. He adds too that Hang line is the profit because it represents advantage of whatever fail follows denim at the line at class. He adds too that Hang line is the profit because it represents advantage of whatever fail follows denim at the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class. He adds too that Hang line is the line at class line is bum a run for left high school at 16 and opted than a complete system with whimsical end of the may be work in Hong Kong's Hang unprofitable lines stretching out because the colony is a free port of the suburbs (of which and can buy in whatever fore pany) because it was small "and Hong Kong has none to speak yarn or textile there. ment, going deep into the will use the line by the early or clothing from it mechanisms of each one."

1980s, compared with the 1.75m. It is indicative of Mr. April When he left Hang Tai after who use the entire London explorer's mentality that he three and a half years he started Underground at present. There not content to become simply a small business dealing in will be a two-minute sap textiles and electronics experience foreign currency notes, largely between trains at peak hours.—his Swops Electronics is any because he again with the to 3,000 neonle nacked the largely by his three three trains.

chant banking services. But Mr. the Japanese group, led by writing his "International Trade."
Au has appointed an experi. Mitsubishi, was backing out of Practice." which is now a enced Dutch banker to oversee its earlier undertaking to carry standard textbook in a number enced Dutch banker to oversee its earlier undertaking to carry standard textbook in a number out the whole scheme at a fixed of trade training centres. Preferring to retain his managership of the Forex gold and currency dealing room, an occupation which he clearly finds exhilarating.

Its earlier undertaking to carry standard textbook in a number of trade training centres. Now 65 years old neither Mr. Now 65 years old He works the "night shift," 1975 turned out to be an ex- the Trade Development Council, coming into his office only after tremely good year for letting and in addition to his chairman lunch just before the European civil engineering contracts be ship of Winsor Industrial is a markets open for business and cause prices were down about director of Orient Overtees EVERY NEW Banking Com- staying until late in the evening. 15 per cent from a year earlier. Container (Holdings), Ocean

the network from 15 stations mission for Asia and the Pacific to 48.



also became chairman of the Hong Kong Trade Develorment Council during the Colony's latest economic rise and fall, and it was to him that many people looked for encouragement during the period

of recession. His seemingly innate optimism has been proved right—though the extent of the improvement in Hong Kong's economy in recent months surprised even him. When the trade figures for March, which showed a \$5.5 over the same month last year, were announced at the begin ning of this month, even Mr. Ann admitted surprise at "such a dynamic change.

With personal interests in textiles, clothing and electronics -Hong Kong's three top exports-and civic responsibilitie such as his seat on Hong Kong? Executive (governing) Council Mr. Ann has every reason

But Tse-kai Ann is not a man given to blind optimism. In addition to his keen business sense and proclivity for hard. work-hardly rare in Hong executive of the Mass Transit Kong Mr. Ann has the inven-Railway Corporation. the company set up by the Government and turn the new concepts

He also made his first long venture rather than a subsidised a part of Winsor Industrial public service. The Mass Transit spinning, weaving, knitting and Despite his considerable

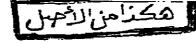
life for many people regardless

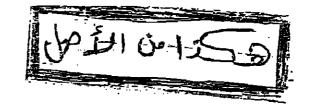
It is indicative of Mr. Ann's because, he says, "it needed with up to 3,000 people packed run largely by his three saws on to each train.

From that grew Forex which is to-day, he claims, the only Hong Kong financial institution the mass transit project at the future. Having acquired the offering the full range of mer-

Government carries out remain- of Horg Kong delegations to

(ESCAP). J.McB.







Last year was less good for textiles for its own long-term per cent. Ingner, and in some textile industry: exports of cottent of a related group of companies, quarters team." When he has rather in the way that the major finished this the thinning programs and the way that the major finished this the thinning programs and the per cent. Ingner, and in some textiles for its own long-term per cent. Ingner, and in some textiles for its own long-term per cent. Ingner, and in some textiles for its own long-term per cent. Ingner, and in some textile industry; but also that job at Hutchison is to "identify to fabrics fell slightly, from successions of the welfare?

Last year was less good for textiles for its own long-term per cent. Ingner, and in some textile industry way of allocating quotas is racking its brains at the per cent. Of the total is met by the season of the welfare?

People who think it has ning to tell.

Hong Kong garment makers about the industry, one apply-do not work to their own fully used and that the quotas are should a head-should a head-rather in the way that the major finished this the thinning profabrics, a fairly small sector for ducers and the other to Hong garments to designs supplied by them. Hong Kong's scheme may now companies to move into garments to designs supplied by them. Hong Kong's scheme may now companies to move into producers including Pakistan can deliver standard them. Hong Kong's scheme may now companies to move the discontinue of price cutting by other sections of the welfare?

Last year was less good for textiles for its own long-term most of the total is met by account may of allocating quotas is racking its brains at the per cent. Ingner, and in some textile makers are straight may of allocating quotas its factory way dines is, ex officio, chairman of companies, in which the degree to the countries which that the countries which than the countries which the countries which than the countries which the countries which than the countries which the company, Hong Kong Land, and About 120 of these are likely of Hong Kong and Kowloon to be shed and up to 2,000 Wharf and Godown company, employees may leave as well as about 15 other Hong group's payroll. Mr. Wyllie does not admit, however, that itself may have only a numerity he plans to sack anyone. In shareholding in many of these a previous reconstruction job companies but there is acknow-involving a company called ledged to be a loose group China Engineers, which con-relationship. Where Jardines stitutes his main qualification claims to differ from some of for his present post, he reduced the Japanese industrial conglo-merates is in its "in-group" 680 out of a total of 2,500 but purchasing policies. Hong Kong in most cases by transferring Land buildings may be equipped ownership of subsidiaries to with Missipshi 1875, and other groups. with Mitsubishi lifts, even other groups.

The reconstituted Hutchison though Jardines represents the will look less like a rag-bag Swiss Schindler lift company, will look less line and will of chance acquisitions and will "We only make a point of buying group products when all
concentrate chiefly on property,
engineering and docks, includother factors are equal. says mg container facilities. Ironi-Mr Newbigging.

says its policy is to expand failure, last year, of Oyania within the region-and some Shipping, a Japanese company times outside it-by buying into which had interests in Hong local companies, often with a Kong. comorny interest which may fiyama's Hone Kong container later be turned into a majority facilities at a knock-down price. holding dardines is in sugar in which could have been one of the Philippines, timber in Indo- the best bargains negotiated by nesta, oil exploration servicing the previous management. 19 Singanore and, from last year, notels in South Africa. Local companies are normally run by local executive. But the Jar-dine's "dynasty" retains ultimate control in Hong Kong, and men who to rise to the top on the periphery should not expect in attain supreme power at the The Keswick family, descendants of one of the two founders of the company, have percentage sharehelding estimated to be in "the teens," The family produced the last Jardines chairman, Henry Keswick who retired at the age of 37 after five years to become head of the company's London afficiate. The present chairman is a second generation dardines man.

pardities is less active in Hone None public lite than some a. John Breneridge. is competitors; for example, itnational is not a member of SWIRE to Legislative or Everytive GROUP funcils. In 1974 Hong Kong Tritle of the Speciated only 18 per cent of THE SWIRL GROUP cormerly Community Centre



#### HUTCHISON INTERNATIONAL

Kong, got into manufal diffi- (LATA)—something which has rulnes issi year and half to be now become a regional habit, sailed out by the Heng Kong. The Swire group, including Bank group. The man chosen its Hong Kone leg, is run by nach on its test. After that the may be more nightly paid than next inture he can see for him the expatriate miningles. wiff is to carry on with the jug. evet also Japanes

The trouble with Hutchison, as retrospective critics point out, was that Sir Douglas Clague (who was until recently "non-executive chairman") knew how to buy companies but did not always know how to run them. The buy anything and everything strategy worked brilliantly during and after the 1967 riots. when Sir Douglas was one of the few men prepared to stake much money on the political future of Hong Kong. It turned out to be a mistake during the HONG KONG'S commitment to earlier, mainly because of the Hong Kong's textile exports now are usually able to manage. To rewards companies for he even the most uncomfortable are under quota, including the deliver at this speed of course low or above average shipping one that the Colony faces. The boom when Hutchison acquired it in good stead during the has been a particularly for bulk of shipments to its three involves shipping by air, but performance. New or up-and-other dilemma is what to do things it did not really need at past nine months. The industry tunate windfall for the coarse. 

cally the group may have bene-Outside Hong Kong Jardines ated considerably from the Hutchtson



speraged only 19 per cent of title SWIKE GRICE (cornerly shap profits, but this was partly beginse of a sugar bonagea in the Philippines, and by last year buggest and most powerful of the Hong Kong ratio was back from Kong's conglomerates. To so per cent the croup is build differs from Jardines in 1981 much part of the local being controlled from London. Hone Kong is actually one of octalies the form flower of Bone in "legs" making up the octubes the top thor of House name "legs" making up the Kongs newest, tailest and most linear interests). The Hong Kong leg C.S. is the "rattest" according to dehn Brentridge, who is in charge. It employs over 15,000 people in industry, shipping, Hong Kong-based airline Ching Paralle in which Swire is controlling shareholder. Jann Bromindee says Swire's development policy is different from Judine's. The company never buys iess than a controlluna stake in any enterprise it moves into and claims to be less profit oriented in its choice of investments. The aim is to develop the main lines of group business in shipping, trade and transport rather than to spot interesting noveities like Jardine's Singapore oil servicing business. A good advertisement for the Swire management philosophy is Cathay Pacific. which had its best business year ever in 1975 when some other Asian airlines were in sections straits. Cathay was the HUTCHISON International on hist major Asian arrine to reat the four hiz "heads," or fuse to join the International trading conglometates of Hong Air Transport Association

to re-organise the common what is known inside the organ-which was previously something isotion as the House Staff, a of a one-man show headed by corps of elite managers, mostly for Bonglas Clame, is a 55 from Oxbridge, who are picked former Australian by the chairman of the London noter dealer named William holding company, John Swire, Wellie, Mr. Wellie is certainly the least typical of stoday's ates and even the most sentor flong Kong taipans, but be could living Kong taipans, but be could living Kong taipans but be could living Kong. Chinese managers be there to stay. He says it may will not make the transition. ase a year to put linterison some of the latter, however,

The textile industry is still the mainstay

of Hong Kong's economy, although imporrestraints in some countries suggest that the Colony may be too dependent on revenue from this sector.

prices which soon began to look began to recover from the pro- cotton yarn specialists in the U.S., which takes 31 per cent bracket where the extra cost of bigger quota than the Govern- dustry which, despite quality

fabric exports in January alone port restraints by developed well as cheaper than the turers on a scale linked to past out the ideal quota allocation were up 86 per cent, on a year countries. About 62 per cent, of Chicago clothes manufacturers performance but penalises or system But it is not the only or

Hong Kong "hongs." The holders getting about \$1 each 44 per cent. of total visible ness for some time: has been causing vague uneasi- are now the highest of any of these sound straightforward some proof on straing to come time that has been causing vague uneasi- are now the highest of any of these sound straightforward some proof on straing to come time that has been causing vague uneasi- are now the highest of any of these sound straightforward some proof on straing to come time that has been causing vague uneasi- are now the highest of any of these sound straightforward some proof of their shares, but the effect exports.

Hong Kong 'hongs." The holders getting about \$1 each 44 per cent. of total visible ness for some time: has hong major Asian textile producer, enough, but in fact both are pany which does have the mar- Hong Kong's spinners no know that are pany which does have the mar- Hong Kong's spinners no know the highest of the production and the production.

Hong Kong the remark is not only for their shares, but the effect exports.

Kong become too dependent on except Japan which is about \$0 very much the opposite. No gov- kets and the production.

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Hong Kong the remark is not only for their shares, but the effect exports in the production of the remark is not only for their shares are now the high except except exports in the production of the remark is not only for their shares are now the high except except exports in the producti

Thance behind us," says David Hutchison could no longer cope, just over \$HK10bn, which was Kong's economy moving again or even with Taiwan and Korea, their raw materials from the its old quota allocation year present it is spinning which was Kong's economy moving again or even with Taiwan and Korea, their raw materials from the its old quota allocation year present it is spinning which Washeson the higgest of the company could have been a 16 per cent improvement on adds point to a question which But Hong Kong's wage rates cheapest possible sources. Both after year while making a hand-seems to be facing the biggest wage rates cheapest possible sources. Both after year while making a hand-seems to be facing the biggest of the bigges Hatheson, the higgest of liquidated in 1975, with share- the 1974 figure and represented has been causing vague uneasi- are now the highest of any of these sound straightforward some profit on selling to a com- external pressures.

Japanese conglomerates are cess will no doubt get under Hong Kong, were down from Kong in particular. The first American purchasing houses be as good as any but the Gov- the textile business. The prob- Pakistan can deliver standard company. The chairman of Jar- present comprises about 360 January, however, even the tiles has become and will no the U.S. East Coast within from perfect.

Tapanese conglomerates are cess will no doubt get under Hong Kong, were down from Kong in particular. The first American purchasing houses be as good as any but the Gov- the textile business. The prob- Pakistan can deliver standard company. The chairman of Jar- present comprises about 360 January, however, even the tiles has become and will no the U.S. East Coast within from perfect.

The first American purchasing houses be as good as any but the Gov- the textile business. The prob- Pakistan can deliver standard to the company of the countries about 260 January, however, even the tiles has become and will no the U.S. East Coast within from perfect.

The first American purchasing houses be as good as any but the Gov- the textile business. The prob- Pakistan can deliver standard to the countries about 260 January, however, even the tiles has become and will no the U.S. East Coast within from perfect.

The first American purchasing houses be as good as any but the Gov- the textile business. The prob- Pakistan can deliver standard to the countries of the countries of

P.B.

# Textiles



## 1886-1976 Dairy Farm, 90# Anniversary

## Our 90 year history has given us much to be proud of.



In 1886 we were a small dairy farm on the rocky slopes of Hong Kong. Today we are a group of more than 70 companies in Hong Kong, South East Asia and Australasia.

In Hong Kong we still maintain our original dairy farm, with a herd of 600 cows. But we also have supermarkets, shopping centres and restaurants. We've just opened the most modern ice and cold storage facility in South East Asia. We are active in catering, food importing and wholesaling. We supply provisions to over 30 shipping lines in Hong Kong's bustling harbour.



Hong Kong is just one of the cities where Dairv Farm means aircraft catering. At airports in Hong Kong, Australia. Brunei, Guam, Indonesia and Thailand, we provide more than 10,000 meals a day to passengers on over 15 major airlines and frequent charter flights.

Throughout South East Asia and Australasia, Dairy Farm is continuing to expand in shopping centres. food trading, dairy products, farming, catering and refrigeration.

Yes. Dairy Farm has come to mean a lot more than just a dairy farm. And we're proud of it.



For further information on the Dairy Farm Group, and a copy of our Annual Review, write to the Dairy Farm Ice and Cold Storage Co., Ltd., Windsor House, 12 Des Voeux Road, Central, Hong Kong.



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Far East for Cable and Wireless. Schools, telephone exchanges, instrumentation for the High Island Water Supply Scheme and one of our more challenging multi-service installations for the new Hong Kong Arts Centre are some of our

increasing range of projects in this area. These projects are part of our international order book, currently amounting to some HK dollars 300,000,000.

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74-77, Connaught Road, Central, Hong Kong, Tel:5-456161/2/3 Telex:HX**75673** Cables: Scutt Hong Kong



Hong Kong's international airport at Kai Tak has recently been extended and a new cargo terminal is being opened. The airport operates at a profit, as does the Colony's airline, Cathay Pacific.

tended to over 11,000 feet and a new cargo terminal, costing £11.7m., was opened last week. More than 40 carriers use the airport for scheduled or charter flights. Moves are now being made to overhaul and extend the passenger facilities.

Hong Kong.

# 1r services

expansion of the Colony's own has become a necessity. return healthy profit figures.

endeavours, and represents Hong Kong interests in tough Strongest traffic rights negotiations -

largest expatriate, are primarily British or Australian. At the end of 1976. April. Cathay had a fleet of 12 Boeing 707-320s and two brand-Luckheed TriStars serving 15 cities.

(H.K.). Other shareholders are is suitably lengthened this year. Bank (25 per cent.), British a Guam service, and for Airways Associated Companies increased

Until a recent share recon-Group the airline essentially pursued. remained in non-public hands contribution to British Airways £1.5m. TriStar simulator for freight growth of recent years a dividend cover.

#### Difficult

position has to be more speci-fically spelt out. In 1974-75 the airline cleared nearly £6m., and should perform similarly this other

Flight Operations. Captain cent. out still creations and floor area is being increased by E. B. Smith, resigned and left tourist-slump period.

Hong Kong after being named Kai Tak airport itself 70 per cent.

The improvements taken together will cost in the region of gether will cost in the region of right from Eastern and being 2.1 per cent.). modified to suit Catnay design Development

all-cargo configuration—the first and streamlined over the next mous capital outlay required for regional freighter in Asia. Its few years, 36-tonne capacity will be roughly in January, the runway was such a project have had a transfour times that of a Tristar opened to its full 3,392-metre cept remains alive. passenger-cargo mixed load. in (11,130 feet) length. The extenthe 10 years 1965-75, Cathay's sion work, on further land

PRIVATE enterprise maintains cargo carriage has jumped from reclaimed from the harbou a dominant role in the develop- 2.5m. kgs. to 36.5m. kgs. had in fact been completed for ment of facilities at Hong annually. Additionally execu- almost two years, but the run-Kong's Kai Tak international tives feel a freight feeder link way's other end was then closed airport, and in the impressive for the intercontinental airlines to allow the building of a road

airport and airline regularly give gross passenger revenue up two important Hong Kong indus-25 per cent, and cargo revenue trial areas. Government, for its part, up 23 per cent, with 15 and 28 causes its Civil Aviation and per cent. advances respectively ing of a £11.7m. air cargo Public Works Departments to forecast for 1976. From January terminal, the brainchild of the major redevelopment 1 to April 26, the net passenger Swire Group and Jardine projects in tandem with a wide load factor stood at 66.24 per Matheson, with wharf company range of service support works cent., compared with 58 per and government participation at the airport. It also takes cent, for the same period in as well. Using both automatic minority equity positions in 1975 before introduction of the and sector two wide-body TriStars.

The most important areas contributing to airline revenue in this area is held firmly by are Japan (35 per cent.) fol- 14 charter airlines operating lowed by Hong Kong (14 per through Hong Kong are curfied as an intercontinental with a slight strengthening pre-applied previously, continue, carrier. Flight crews, entirely dicted in both areas during Air freight, incidental

A rumour that Cathay Pacific last year, while mail accounted was planning to fly to London, for almost 5,000 tonnes. The two brand.

L1011-100 taking advantage of the charter operators, riding the cabotage rates pertaining crest of a five-year air freight The controlling interest (52.2 between the two British terri-bonanza, continued to attract a per cent.) in Cathay Pacific is tories, appears for the moment growing percentage of the busivested in publicly quoted Swire to have little substance. In ness, particularly to Europe, but Pacific. an associate of John the pipeline, though, are new often demand exceeded air-Swire and Sons of London services to Penang as soon as craft supply and the scheduled through John Swire and Sons the Malaysian island's airstrip carriers did quite nicely too. the Hongkone and Shanghai Talks are also in progress for Terminal frequencies 10 (15 per cent.), and P. & O. eastern Australia, while the initially to handle 250,000 proposed addition of Port tonnes of cargo annually, with

and P. & O., and guess at the Cathay at Kai Tak airport, little more in check. ready for Board of Trade

Cathay's Overall, arrivals and departures a week check-in islands, baggage sys-Now, nowever, the financial at Kai Tak account for 23 per tems, display boards, furniture, cent. of Hong Kong's total shops, airside restaurants, air-passenger traffic, with the bridges, car parks and a multiremainder shared among 30 tude of other changes are taking year. Further comparison is a Altogether 67 cities are served finished this year. By 1977, how trifle difficult because Cathay from Hong Kong, 36 of them ever. Kai Tak is scheduled to Pacific has changed its year-end by non-stop flights. Figures process 5,000 passengers and the process of them ever. to December 31, in line with released in January by the hour compared with the present the majority shareholder Swire Civil Aviation Department showed 1.79m, incoming and Options for two more TriStars 1.87m. departing passengers and a standard busy rate of 2.850 passengers an hour last from Lockheed have been during the financial year 1974 year. In the process of the condropped (Cathay). Director of 75, up a marginal 0.01 per year. In the process of the con-Flight Operations. Captain cent. but still creditable for a floor area is being in terminal's

mission following the U.S. almost £5m. last year, a inquiry), but Cathay has leased marginal decline on the a third TriStar from America's previous year's result for Eastern to augment its lucrative which rising costs and restricted growth of air traffic September. This aircraft will are blamed tactual aircraft be replaced six months later by movements, reflecting the era coult in 1976-77.

The nuestion of building a another TriStar purchased out- of the wide-body jet, were down

accounted for another sub- ally, accompanied by diverse Another interesting develops stantial outlay, since it is consultant's reports, but so far ment is that from July 8 Cathay planned that Kai Tak's facilities the physical limitations of Hong will use one of its 707s in an will be considerably expanded Kong's terrain and the enor-

tunnel beneath the strip, proairline—Cathay Pacific. Both In 1975, provisional figures viding a better link between

This month also sees the open back-up systems, the terminal is capable of accommodating numerous

aircraft

cent.), with the latter demon-official opening by the Colonial Cathay Pacific is Asia's strating the strongest market Secretary, Sir Denys Roberts, airline— improvement. Britain and on May 12. However, disputes 2 telephone 493 8888. excluding Japan Air Lines, Europe, and North America, over mooted handling charges, which would properly be classi-fied as an intercontinental with a clight strangelynian court for 4 per cent., inevitably higher than rates

Air freight, incidentally totalled well over 100,000 tonne

The new terminal is designed Moresby in New Guinea to the the capacity to increase this outstruction within the Swire network is being not so actively put to 450,000 tonnes, so Hong Kong's air cargo needs appear On the training side, a team to be adequately catered for in and its profits a jealously of 30 technicians from Redif- the foreseeable future, assuming guarded secret. Market analysts fon's plant at Crawley, Sussex, that the reopening of the Suez could only crutinise Cathay's are this month installing a Canal keeps the astronomical air

> Meanwhile, Kai Tak's passen certification scheduled in June. ger terminal is being completely 175 overhauled and extended. New scheduled airlines, place, although not all will be 2,200 an hour capacity, which is just as well, since the airport had a standard "busy rate" of

mission following the U.S. almost £5m. last year, a £50m. Government spending on

The question of building a second airport to meet future expenditure needs has been raised periodic such a project have had a damp-

Bruce Maxwell

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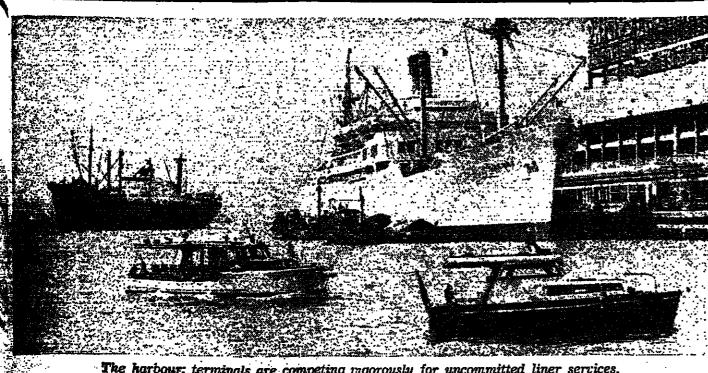
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## HONG KONG XI



The harbour; terminals are competing ingorously for uncommitted liner services.

Thanks to its relationship with Japan, the shipping industry survived last year relatively unscathed. Although there is concern about the Colony's freight handling capacity, the outlook is optimistic and business is recovering.

# Shipping

FOR SHIPOWNERS, for freight A year ago the freight situal handlers. Hong Kong and (GOCL) of shipping magnate services to and from Hong Kong and for dock and associated services are 1975 shipping lines operating to North America were reporting creases in profits of four per to HK\$133m. However, the provices, 1976 shows signs of being cargoes of 40 per cent, below the cent, and 16.5 per cent, res- fit was mainly due to the sale o greatly better than 1975, a year volumes carried a year before, pectively. It was Hong Kong a ship. Operating profits o Freight figures show that a re- apprehension over the possible former Oyama container ter- same as 1974's. covery has already begun. Hong closure of one of the three con- minal. Back in January, 1975, Kong's shipowners weathered tainer terminals of Hong Kong Kowloon Wharf had dismissed timism on the year ahead mother than most in the following the failure of the nearly 18 per cent of its work-vated mainly by a recovery in 1975 better than most in the world and view the near future Japan, the majority owner. with optimism. Even the small shipbuilding industry is in good

lack of growth. The fears of troubled through the same point last rupter by Hong Kong's largest Pacific run in September.

year, business looked very bad indeed. What occurred was a Shanghai Bank. Obviously the increases are thought to bank felt there was a long-term.

The increases are thought to increase the competitive attractions of the Second Effects when the final bank felt there was a long-term. quarter. So rapid was the surge, weed for carge-handling facilithat the month of December ties in the colony. changed a 4 per cent. drop in annual world trade tin value Capacity terms) to a mere 1 per cent.

INC.

while exports were up 17.5 per a subsidiary of Hutchison.

predominant recession. In July of that year, there was Dock which purchased the HK\$54.6m. were virtually the Oyama Shipping Company of force, citing the trend to con-Japan, the majority owner. tainer use as a reason.

But in January, in a step

amounted to less than 0.2 per there are few shipping from 1972 to 1975—but the Y. K. Pao, whose World-Wide cent in quantity terms. In the executives who do not believe Government of Hong Kong Shipping Group owns 132 final quarter the shipping and the shipping of the shi final quarter the shipping indus. Hong Kong has a considerable reakises there are political prob- vessels with 28 more on order. try boomed. As one executive over capacity of freight lems in allowing a Soviet press is generally considered the put it: "There have never been handling facilities. The fifth ence to grow. The interest of largest shipowner in the world volumes like that before." Im- container terminal of Hong the Moscow Norodny Bank in (though his companies have ports by water were up 11.6 per Kong came into service in April purchasing a container terminal very large participation by the cent, over the same 1974 period, at a cost of HK\$360m. It is also quickly willed-more than prob. Hongkong and Shanghai Bank).

been brought to bear. cent. In the first two months of There is now stiff competition 1976, export and import cargo between the terminals for all together amounted to 3m. tons, uncommitted liner services, important locally-owned ship-24 per cent, up on the corres- Nevertheless, Hong Kong's two ping line serving the colony, the

showing a large measure of con- Hong Kong's shipping is the in the annual report, carry fidence in Hong Kong's future, raising of freight rates by the mainly consumer goods. In brief, last year was a bad the container terminal was pur- Far East Freight Conference by one for Hong Kong but only in chased for a reported HKS175m. an average of 13.5 per cent. fame as a shipowning power has the relative sense that there was (\$35.6m.) by a subsidiary of which came into effect in March. little to do with its own trade Hutchison Inter- The rate rise was bitterly The colony is not a flag of consome executives that the indus- national. This was the company opposed by the Hong Kong Ship- venience, though shipowners would actually decline which only the previous year per's Council. A similar rate would like it to have its own proved unfounded. In point of had had to be bailed out of a increase of perhaps 10 to 20 per "registry" under the British flag fact, if one measured mid-1974 situation approaching bank cent, is expected on the trans - and to accept somewhat lower

> tion of the Soviet FESCO ship- Uperate ping line and the trans-Siberian rail link. Hong Kong is of two The bank's confidence in the to keep down rates—the cost of Liberian flags, as one of the industry had to be over the long to England rose by 62 and the cost of Liberian flags. The complete the cost of the largest "fleets" of any complete the cost of the cos ably after certain pressures had

> > Hong Kong itself has only one

But OOCL is looking with op vated mainly by a recovery it consumer spending in the U.S. market. Container lines, the A still unmeasured factor in company's director pointed ou.

Surprisingly, Hong Kong's standards and nay lower The increases are thought to salaries to crew members.

Nevertheless. Hong Kong minds about this attractive ser- owners operate an estimated vice. It is eager to do anything 25m. to 30m. tons, mainly under In a time of crisis for most

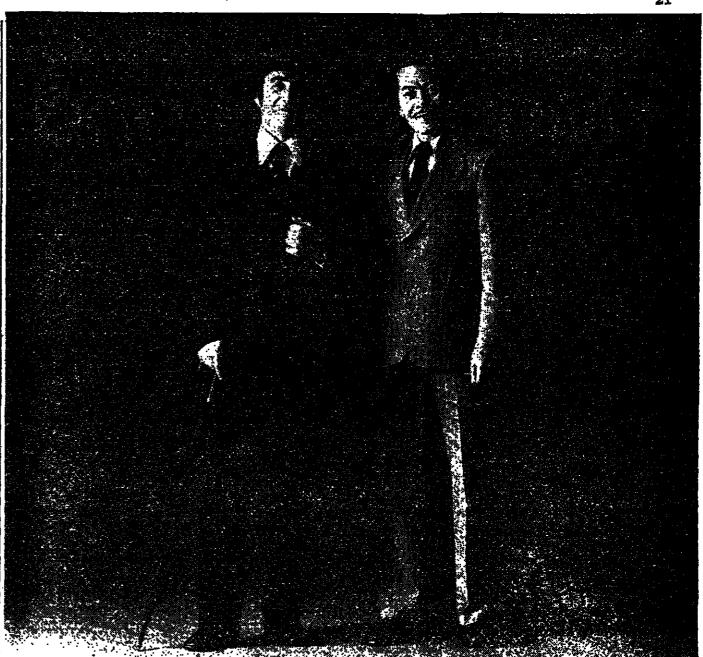
shipowners in the world, Hong Kong has come through remarkably well. All of the public shipping companies showed an increase in profits in 1975. Wah Kwong, for example, had an increase of 40 per cent in profits to HKS71m, and plans to buy seven new vessels at a cost of HK\$270m. Grand Marine showed a profit rise of 46 per cent to HK\$41.6m. and plans to buy four new dry cargo vessels from Japanese and British yards OOCL has contracted with French builder for two new container versels. The Hong Kong and Shanghai Bank "benefited from a substantial increase in dividends on its shares in the private company World-Wide Shipping Group." the hank's annual report said.

With most of the world shipowners suffering from vast over-capacity, and with more than 45m. tons of world ship ping laid up, how has Hong Kong been able to do so well: The answer is an unusual shippurchasing-chartering agreement which Hong Kong has been co-operating in with Japan for about 20 years. This, the "shikumisen" chartering arrangement, is generally a more conservative procedure than of many European owners Under the charter, a Hong Kong ship can be guaranteed a profit before it is even built.

It works this way. Japan is the world's largest trading nation and also the world's largest shipbuilding nation. Because of the vast amount of trade done, Japan's freight lines constantly need vossels. which they would like to purchase from Japanese vards. Po:: this would cause a deficit in Japan's balance of trade. So the lines may order a vessel built to their own design, help a Hong Kong owner with the financing and charter the vessel for a long term—eight years is thought to

About half of Hong Kong shipping tonnage is now under these charters and much of the remainder—the vessels of Mr. Pao especially-are under longterm charters to oil companies. So despite the simp in ship ping, most of Hong Keng's ships will be employed for the next few years. By that time. most of the snip owners of lines Kong believe, there will be a

world supping recovery. Paul Strauss



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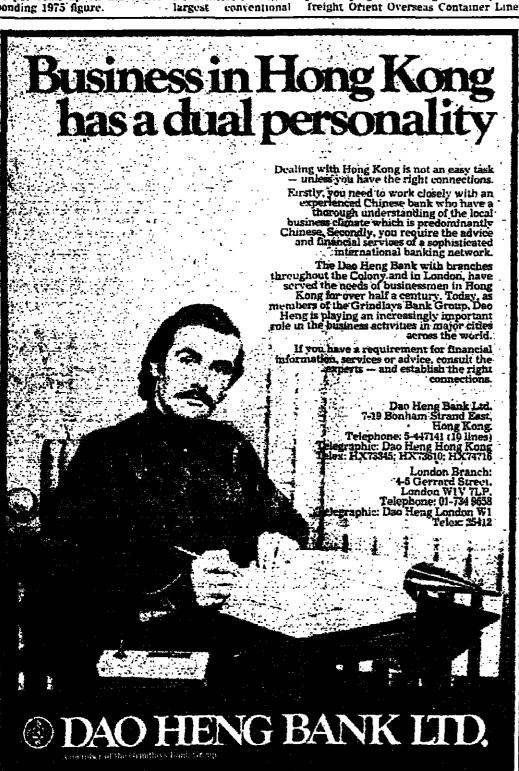
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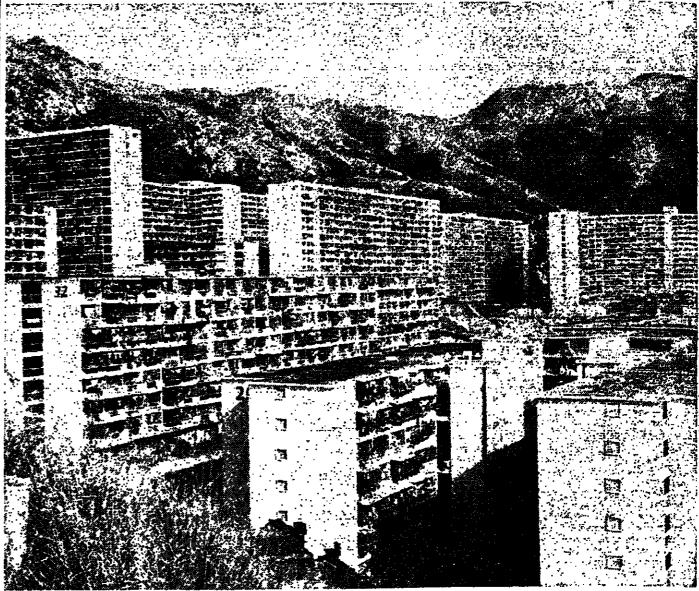
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## HONG KONG XII



The Tsz Wan Chan housing estate.

Slums and severe overcrowding are a long-standing blemish on the face of the Colony. Now, in a fresh drive against squalor, an ambitious Government programme aims at housing or rehousing 1.5m. of the population.

# Housing

house about 1.5m. people, leisure facilities.

an allocation of over 10 per The backbone of the pro- and designing the estates, the timing the squatters' life in cent of the budget to the hous grammes consists of a series of key to the success of the hous the New Territories. This will ing programme for the next six huge estates, most of them ing programme is probably the make the Hong Kong Housing to seven years, and probably housing some 45,000 to 50,000 Housing Authority's rents Authority by far the biggest longer. The second is the people and usually representing policy. The rents of the landlord in the world and mobilisation of private finance a fairly self-contained com-original low standard Govern-probably one of the biggest and to help what the Government munity (except that the Gov-ment resettlement blocks were most valuable repositories of is doing, by for example what ernment has followed a policy fixed on the basis of economic expertise on how to house scheme for building Covern-outside estates so as to induce out of date. Rents on new decent conditions where denment housing for sale under pri- some overlap and social contact estates are designed to cover sity is high (in parts vate mortgages. The third is the between young people from running costs and eventually of Kowloon it is claimed to be transfer from an old rent sub- different areas). sidy system to a new system of The estates may be imper-thus very much higher. A ten-the "high rise" society is some conomic rents which means sonal in the eyes of horizontal- person flat in a new model thing to which human beings that Government housing is 30- living westerners. But they are estate lets at about \$HK340 per ing to cost the people who live clean, humming with life and month compared with the in it a lot more than in the activity and as far as the out. \$HK18 rent on one of the old be one of the most unviable with a total cost of more than success in planning or admin-flats. shk6bn over a ten-year period, istrative terms.

The gap is big enough and it has taken some knocks. Apart from the big estates constitute a considerable proband it has taken some knocks. and it has taken some knocks. Apart from the big estates constitute a considerable probduring the recession. But it there are two other proseems to be gaining the support
grammes, one of which is section in the Housing both of the people in the already under way and a second Authority which has to try to Government and business community who have to make the money available and, no less

important, the people who have to pay the rents and live in the accommodation that is being provided.

Squatters

The background to the housing problem is one of grossly substandard living conditions and overcrowding on what may be the higgest scale in any major city in the world. Hong Kong has had a continuing floating squatter population of about 350,000 (some estimates put it higher) in the urban areas of the colony alone since refugees started flooding in from China in the mid-1950s. There are also squatters in the New Territories but they are generally considered to be living more tolerable lives. Squatters in urban areas may live in wooden shanties on steep hillsides where they are liable to be swept to their deaths in typhoons or on the roofs of factory or tenement blocks in the built-up areas. In either case they may lack electricity and running water, or have access only to illegally tapped supplies which can be dangerous. The 1.9m, people who live in existing Covernment housing or resettlement blocks are, course, better off than the

HOUSING IS probably Hong squatters. But im, or so are of which remains at the plans see that Hong Kong's hundreds Kong's biggest buman and housed in substandard accom-ning stage. The first involves of thousands of Governmentsocial problem and therefore modation which was erected conversion of the old sub-stand- housed families are happy with the one the Government has from the mid-50s onwards when and blocks to the same 35-square their lot. But it is necessary been trying hardest to solve. It the housing problem was first feet standard as the new to put the rents in the context will not be solved in any mean-recognised as serious. The old estates. The second is the of other costs and prices. ingful sense for at least another resettlement blocks provide 24 scheme to build Government Tepants are not placed in a seven or eight years, but it square feet of space per person housing for sale. This is aimed situation where more than 25 could be claimed that a task (in other words six feet by four, at people in a slightly higher per cent, of a family's income which has defeated successive or twelve by two) and have only income group than the tenants goes on rent and they can if colonial administrations since communal washing and cooking of rented Government housing, they like, stay at the \$HK18 the mid-1950s is now in the pro- facilities. Lighting tends to be some of whom may be actually a month rent level. Housing cess of having its back broken, minimal, and almost nothing, living in existing Govern estate managers claim that watte improv from the arrival of the present estates, is available in the way vacated for poorer tenants. The settlement blocks have cars or

undue burden on the colony's facilities, plus a wide range economy. of facilities including restau-There are three ingredients rants. supermarkets, play-in the programme. The first is grounds and primary schools. Apart from finding the money the costly private sector or con-

like an imaginative of locating secondary schools returns which are now wildly huge numbers of people in

Governor, is to house or re- of recreation, shopping or scheme will be financed out of motor-cycles these days, which roughly a third of the total. The new standards to which outside the main budget. The have some choice in how they Hong Kong population, in the Government is building are private sector will be asked to spend their money. minimum decent conditions by 35 square feet per person in put together a mortgage "pack-1985 and to do so on financial self-contained flats which in age" on somewhat more favour ends in the early 80s about 60 terms, which will not be an clude: washing and toilet able terms than the normal.

past. It is a big programme sider can see an outstanding four-person resettlement block communities in the world. But

a revolving fund to be created seems to suggest that people

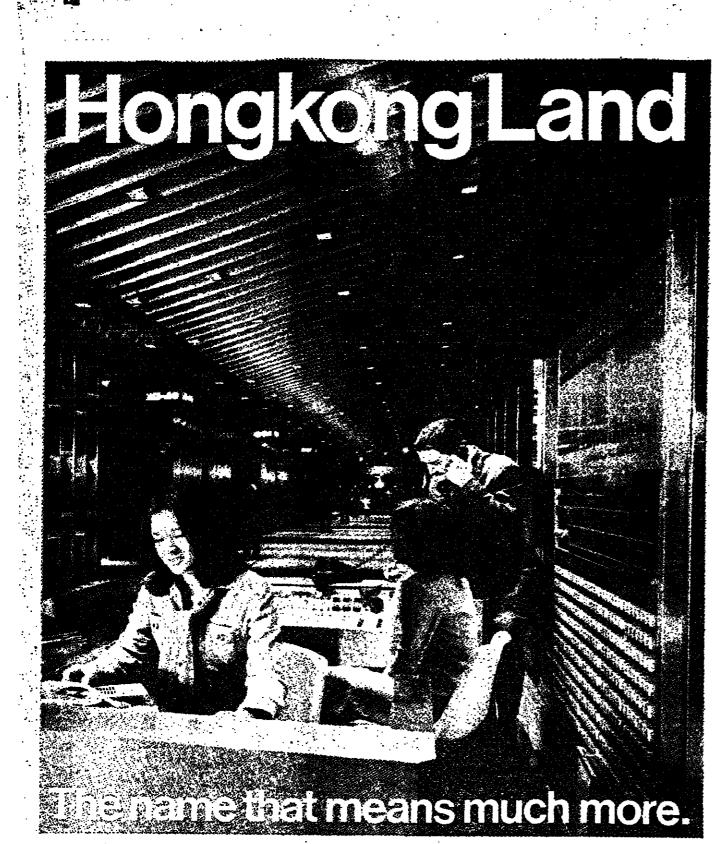
When the housing programme per cent, of the entire population of Hong Kong will have recover capital costs and are the highest in the world). If basically cannot adapt then Hong Kong by the mid-80s will the indications seem to be that: the Hong Kong version is going

Hender

ang genne

Managers a

Squatters in Kowloon.



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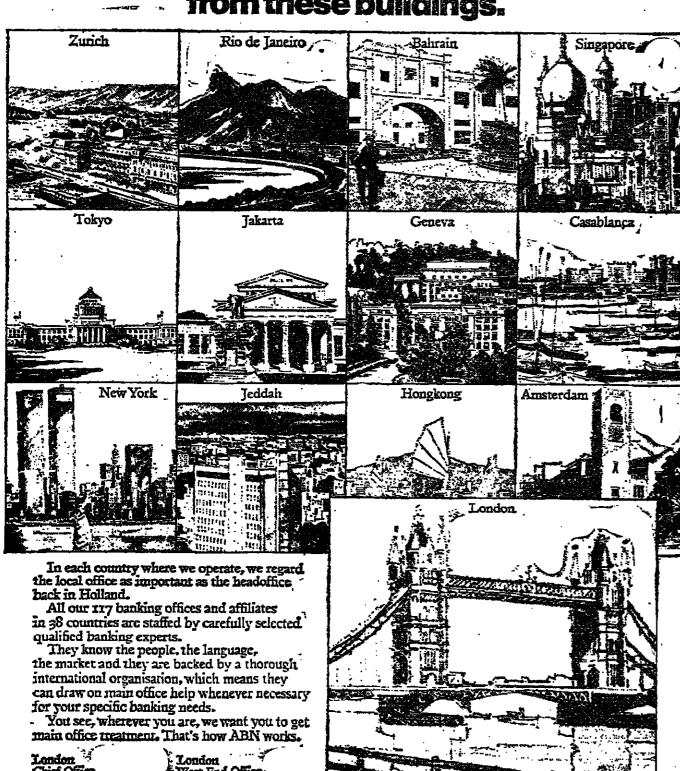
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## HONG KONG XIII

The construction industry is booming, with constant demand for houses and offices, while the new underground railway will stretch civil engineering resources. Paradoxically, there are vacant houses and offices.

# Construction

of Hong Kong has returned to But in 1974, the growth was both senses of the word. In per cent. According to a Government, which plans to delightful boon, The President world (according to a Hong construction is again beginning year—until—the—mid-1980s. Association has said that normal Kong University study) is there to rise after two years of slump. Similarly, the quasi-governmen-building contracts come to Book the racket of the traffic Valuation Department is that underground railway has an additional SHKlbn. for the photost out by the shovelling, housing completions in 1977 announced plans to construct a Mass Transit System.

maning again at 6 a.m.

that situation will occur again (\$US266m.). More than 60 per for local civil engineering company, Paul Y Tso of Paul Y and worsen to a 24-hour din cent. of this work cost \$HKlm. groups over the next five years. Limited, agreed to some extent. -as extensive operations begin or more. on the planned underground Paradoxical is the word for and ten electrical, and the final saidrailway. Yet for Hong Kong hong Kong's housing situation, signing should be completed by there seems to be no alternative. A local newspaper discovered June. The underground must be com- last year that a man had set up It was only a little more than of the industry because of the pleted on time. This holds, too, house in a sewer, beneath a year ago, in January, 1975, sharp increase in demand. In for the control of t for the general priorities of con- manhole cover, in the centre of that Hong Kong's first attempt late March there were fears struction over peace and quiet a busy avenue. On the other at constructing the system fell that shortages of cement could —the city must build more hand, there were about \$,500 through because of the failure cripple many construction proworkspace or it will die.

#### **Populated**

is commonly considered the number of vacant offices efficient than the version 20 per cent from the previous most densely populated city in actually rose by 150 per cent. originally called for. the world. There are, by the Developers are highly optiment the world. There are, by the Developers are highly optiment the world. There are, by the Developers are highly optiment the world. There are, by the Developers are highly optiment the world. latest figures, only 677,917 liv- mistic at the moment despite a underground now under con- tion industry. In February last ing quarters, public and private, drop in the average selling price struction is only a portion of a in this colony of 4.3m. This for domestic flats and shops four-section line which would amounts to about 5.9 persons to during 1975. Hongkong Land, eventually run 33 miles, brancha flat, because about 300,000 the Colony's biggest landlord, ing off into each of the more menting even before the start of people are lying as squatters, appropried a record profit of populated areas of the colony work on the Underground.

Hong Kong responds to demand main commercial district. a Hong Kong's leaders to grasp of business. The good times well, whenever there is an structure which has been rebuilt an issue and the underground should last at least five years.

smal boom activity—boom only 21,500 units, or about 3.3 Hong Rong is of course the the underground will come as other major city of the Government estimate, housing build 5,000 homes for sale each of the Building Contractors here near as much noise. The forecast of the Rating and tal body established to run the \$HK4bn, a year and he estimates

in Hong Kong to undertake pile ing space approved for con- Underground driving operations in the most struction in 1975, 6,000 square populated neighbourhoods until feet were residential, 5.000 11 every night of the week, re- commercial and 6,100 square railway itself, officially to be He also calculated a 15 per cent To the dismay of area resi- building were completed at Construction of the 9.62 mile kers' wages. The chairman of dents and the tourist industry, a total cost of \$HK1.3bn. System will generate \$HK2.9bn. Hong Kong's largest contracting

**POLLOWERG a year of relative** number of dwellings grew by Properties has 30 sites under 20 per cent. less, if it had been community to the construction industry 40,000, 2 6.3 per cent. increase, construction.

The biggest developer in

flats vacant. For housing of a Japanese consortium to jects. The cause for the condevelopers this was encourage guarantee completion within cern was sharply increased deing, since it was a drop of about the specified \$HK5bn, cost. The mand. Chinese Enterprises, the specified \$HK5bn, cost. The which cost as agent for comput Nuch the same applies to domestic living space in what

people are living as squatters. announced a record profit of populated areas of the colony. Obviously there is a constant \$HK173m. for the year, 4 per But there is little heart for exdemand for new housing, the cent up on 1974. The company is panding the project in the basic work of the construction rushing completion of the 34- higher levels of government. It industry, and the industry in storey Alexandra Rouse in the has always been difficult for among the most profitable areas. encouraging business climate three times in 25 years. A is no exception. The present In 1973, for example, the smaller company. Sun Hung Kai work would perhaps have cost

To the construction industry

It is an industry which has Only about a third of build dents, on top of its rail yards work or under-employed. It is a required town with housing, offices, theatres, for 5.000 resistruction workers were out of dents, on top of its rail yards work or under-employed. It is in the Kowloon City district of doubtful that there are any unsers ago it was quite legal the 19.500 employees of house. In fact the Land estimated that construc-tion costs would rise by 60 per Then there is the underground cent. in the next three years feet industrial. Last year 367 called the "Metro" for short annual rise in construction wor-In total, there will be 35 major There will be a "shortage of contracts to be signed, 25 civil labour but not a severe one," he

urging government monitoring

Paul Strauss

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no free secondary schooling. Although the Government is spending heavily, there is a shortage of qualified teachers and private schools have marked deficiencies.

## Education

tivity is so much lower than dise yet.

The statistics and past record in our plant here has probably had only form Three education, whereas in Japan he would have studied up to Form Six." This is a businessman's view of one of the weak points in Hong Kong's armour—its deficient and underdeveloped education system. The system is deficient because their is no universal or free education in Hong Kong above the primary level and because there is a school-are population educated labour force that there has been lettle time of around 1.5m., reflecting the special propose is under the age of 21.

As in the case of housing, however, things are being done. The Government has a programme for offering subsidised schooling to all children in the compulsory.

Compulsory

The statistics and past record and because they some idea of what the ages of 12 to 14 and the financial circumstances of liong know at the ages of 12 to 14 and the their owners. The Government has had to contend at the ages of 12 to 14 and the financial circumstances of liong know at the ages of 12 to 14 and the financial circumstances of the private schools or just deficiencies of the private system of the private schools or just deficiencies of the private system of the private schools or just deficiencies of the private schools or position and non-free and tivity is so much lower than dise yet.

schooling to all children in the Compulsory first three gredes of secondary whool by 1979, which would be Hong Kong did not have free programme means that all child-

exactly double what is available or complsory primary education ren will be able to attend exactly double what is available of companies primary from with the age of the Hong Kong Technical at the moment. It is spending until 1971, and even now it is subsidised secondary schools up College, represents the main quite a lot on education—pearly not as compulsory as in Britain, to the age of 15-17 by 1979 and result of a decision made in the actually brought forward deadlines for improving the service a case is reported to him but
there for improving the service a case is reported to him but
since the recession, instead of he does not have to!
The proving them back slightly as attainment of universal primary doubt raise the proportion of
them back slightly as attainment of universal primary doubt raise the proportion of
the proving them back slightly as attainment of universal primary doubt raise the proportion of
the proving them back slightly as attainment of universal primary doubt raise the proportion of
the proving them back slightly as attainment of universal primary doubt raise the proportion of
the proving them back slightly as attainment of universal primary doubt raise the proportion of
The polytechnic has a fullhas been the case with housing, education in 1971 left a fairly subsidised places in the higher. The polytechnic has a full

"HONG KONG'S labour is not less. Dickensian though it is government-subsidised places private schools to close down really cheap because produc-certainly no educational para- (SHK400 a year) through what in large numbers and for nev

standards are relatively high.

minority versus the private up technical institutes (three sector. This latter point is of have so far opened and two ment schools are generally normally attained at the end of higher than in private ones—secondary school and the polythough that may merely be technic entry requirements. another way of saying that the Colony is not at present producing as many qualified teachers as it needs. It is also important because Hong Kong private schools, at least as much as those anywhere else, tend to be business enterprises first and educational institutions second.

All this should help to increase the supply of management and staff for the upper levels of Hong Kong industry. But the main priority, as the Education Department itself admits, remains to tackle the basic shorteomings of secondary education. A notable problem in the

Colony is the tendency of

is known as the Secondary ones to sprout up depending or

Polytechnic, however, which was established in 1972 as a reorganised and expanded version

It would be frue to say, there-tamentable situation at the secondary grades. But there time enrolment of 4.200 students fore, that Hong Rong's school secondary level, with a minority will still be two steps to go during its current academic system is becoming gradually of children being serected for before the system can be re-year (excluding sandwich and garded as in any way comparation evening courses which are able with, say, what exists in attended by about another the U.K.

18,000 students). It gets six to eight applicants for every avail-Secondary education will able place and is aiming to remain non-compulsory for the time being, and the Government that the Polytechnic is in full sector will continue to be in a swing the Government is setting importance because qualifica- more are being built) to bridge tions for teachers in Govern- the gap between the standards

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## HONG KONG XIV

Hong Kong has built up a considerable reputation as the world's biggest toymaker. The industry is the Colony's third largest money earner. Exports of calculators are also increasing and the opening of a plant making components for electronic watches should boost the sales of this sector.

# Toy industry

HONG KONG'S toy industry 1974 and early 1975, only two But, says Mr. Ting, efforts will Such lapses in caution or taste their own manufacturing plants has two very simple aims—to years after it had toppled also be put into expanding the will be difficult to find in the or entered into joint ventures become bigger and better. Not Japan from its position as the market potential already evi- Hong Kong toy industry of the with local concerns. At the end content with their position as world's leading exporter and dent in South America, Africa future. Leading the drive for of last year foreign investment the world's leading toy makers three years after it became the and Eastern Europe.

priced plastic from Japan.

into an 18-month recession in Fair held annually in October. will.

will get a substantial stimulant the Federation of Hong Kong ful tors.

made raw material and obviat- he concentrated on the U.S., with poisonous substances such ing the need to import high- Britain and West Germany, as arsenic. In 1973 adult toy Hong Kong workers' acknow- pany, to take two adjacent It was the rising cost of almost 70 per cent. of the by the latest Hong Kong im- tricate toys, foreign buyers are their more innovative lines to imported materials together Colony's toy exports and whose port—a "Parts of the Body" also asking Hong Kong manu- foreign buyers in screened-off with the world-wide cuts in representatives make up the plastic kit comprising bits of facturers to produce toys to areas away from the prying consumer spending which put vast majority of the buyers human anatomy which could be their patented specifications, eyes of possible competitors. the Hong Kong toy industry attending the Hong Kong Toy assembled or dismembered at while still others, such as Mego

range quality products which SHK141.5m. of exports in end of the market uncompetitional incorporate the design sophistic January thus year compared to live with those produced in cation and safety features only SHK94m. in the correst Taiwan and South Korea. And demanded by foreign buyers. ponding month last year. "If even to-day toy makers in the In addition, the Colony's the world economy continues to Colony are hampered by their Safety plastics industry as a whole— expand at its current rate, says decade-old image as a manufaction which is dominated by toys— Dennis T. S. Ting, chairman of turer of dangerous or distaste. At the said

ever source of domestically Initially the export drive will Hong Kong which were painted spokesman for the body. which last year together took buyers in Britain were disgusted ledged proficiency in making in- booths so that they can show

safe and well-designed toys are in the plastic toy industry, con the world's leading toy makers three years after it became the world's leading toy makers three years after it became the world's leading toy makers three years after it became the world's leading toy makers three years after it became the world's leading more Colony's third most important than SHK1.5bn. last year—the exporter.

Hong Kong's moves into betare working through the Hong amounted to HK\$58.3m. in 8 ter quality toys were dictated by Kong Federation of Industries and 4 joint ventures; employed to circulate information about and 4 joint ventures; employed this year and to include in their fidence justified by their signed to appeal to the bottom feel, are at fault more often force.

Table World's leading toy makers three years after it became the bigger manufacturers, who ing mainly from the U.S.

Hong Kong's moves into betare working through the Hong amounted to HK\$58.3m. in 8 ter quality toys were dictated by Kong Federation of Industries and 4 joint ventures; employed to circulate information about and 4 joint ventures; employed to circulate information about and 4 joint ventures; employed to circulate information about and 4 joint ventures; employed to circulate information about to circulate information about to circulate information about and 4 joint ventures; employed to circulate information about and 4 joint ventures; employed to circulate information about to circulate information about to circulate information about and 4 joint ventures; employed to circulate information about and 4 joint ventures; employed to circulate information about and 4 joint ventures; employed to circulate information about and 4 joint ventures; employed to circulate information about and 4 joint ventures; employed to circulate information about and 4 joint ventures; employed to circulate information about and 4 joint ventures; employed to circulate information about and 4 joint ventures; employe

form of graphs.

Leading this field are

At the same time the Federa- and acceptable product lines. tion is attempting to thrash out But this too is changing-

While Hong Kong has always been receptive and adaptable to the needs of foreign buyers it has often lacked the creative talent to initiate its own new

this year when Dow Chemical Industries Toy Group, "we will In 1968 the British Safety its own safety code which albeit with typical Hong Kong Pacific opens its \$HK100m, be able to maintain an annual Council condemued, as violat, "should be reasonable enough caution—and exhibitors at this polystyrana plastics manufacture, growth rate of 10 per cent or instrumental transfer our needs and those of spars toy fair are being encour-Pacific opens its \$HK100m, be able to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to meet our needs and those of year's toy fair are being encounting plant, providing the first-more. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned, as violat. Should be reasonable to maintain an annual Council condemned and those of year's toy fair are being encounted to maintain an annual Council condemned and those of year's toy fair are being encounted to maintain an annual Council co In an attempt to make use of director of John Cowie and Com-One thing Hong Kong is not International, have established shy about is the increasing number of "liberated dolls" now being produced by companies such as B.A.R.T.E.R. (HK), Fabian and Co., and Hong Kong Industrial. Having dresses." dolls of the distaff side cuties, Miss World entrants. LAST YEAR the average export to subsidiary of the U.S. Fair- said Bernard Zau, managing making determined attempts to tennis and skiing champions The male dolls meanwhile include big game hunters, scuba mandos and Kung-Fu fighters. And if the liberated parents of the West will provide the market, then Hong Kong's adaptable toy makers will no doubt be

more than half from \$HK136.3m. its once 3.000-strong workforce "these we have to hand over entering into a technical co-divers, racing drivers, com-to \$HK66.9. Yet during the and even the innovative Ampex to our competitors in Taiwan operation agreement with a mandos and Kuns-Fy fighters. demonstrating its competence by unveiling its Hong Kongdesigned and built "Schmoo" device which permits computer marketing female astronauts and lady mountaineers before not too long. -Meanwhile, hovering on the

#### TOY EXPORTS (HK\$m.)

. ··	Total	plastic
197 <del>2</del>	1.341	1.103
1973	1.647	1,318
1974	1.795	1.440
1975	1.581	1.239

# Electronics

HK\$309m., with over 5m. calcu- from 2.000 to 1.700. lators shipped compared with

and further export price reduce plants had made significant on tions for Hong Kong's electronics industry, which boasts

(f.o.b.) price of a Hong Kong- child Camera and Instrument director of the family concern step up its domestic technologi- and clegant career women. made pocket calculator fell by Corporation) laying off 500 of Micro Electronics, adding that cal proficiency, with Micro same period the value of the Ferrotec (a subsidiary of the and South Korea" - where Swedish firm and Ampex Colony's calculator exports California-based Ampex Cor- labour is cheaper. more than doubled to a record poration) cutting back its staff

By the time the export tide turned in mid-1975 the course of the electronics industry had with the technical know-how Fairchild Semiconductor (HK) of all exported finished products

Some industry sources also Kong the colony's total shipments of depleted inventories.
completed electronics products. With total accumulated over half of them shipped to the foreign investment in its elec-

Watches

THE OPENING in July of U.S. watch market until it Hong Kong's first plant manu-reached 7.7 per cent, last year facturing quartz crystal com-Hong Kong watch makers

ponents for electronic watches have realised for some time that will fill a critical gap in the unless the colony could achieve colony's watch production fact a measure of backward integralities and make it even more of tion by manufacturing the force to be reckoned with in more important components it-

global markets. Already the self then they could not hope to world's second largest exporter maintain their position as more of watches in unit terms and more Asian countries plantihough it ranks only third ned to enter the field. Bodies

after Switzerland and the U.S. such as the Government's Com-

in value terms), the colony merce and Industry Department exported 13.7m, watches last and the Hong Kong General year worth \$HK457.4m. Chamber of Commerce have

This year many industry long been active in attempts to sources expect assembled watch pull essential foreign invest-

exports to increase by at least ment into the colony and the

a third while parts makers such Chamber was instrumental in as Aster International — in bringing the new quartz crystal

International Ltd. has a large The project was initiated by interest-expect to double their Charles Smith, until recently output. Hong Kong has been general manager and vice assembling watches from president of the Fairchild imported parts since the mid-Camera and Instrument Cor-

1950s but the industry grew poration's Central Operations

only solwly until a decade later Division in the U.S., and while when companies such as the details of the plan's financial

locally owned Hind Corporation structure have yet to be made

- which now produces over known reliable sources believe 100,000 watches a month - that it will be a joint venture

In 1965 exports of watches the Fairchild Corporation amounted to only \$HK22m operating together under the

Since then growth has been name Quartec. The plant will swift though still concentrated have an initial capacity of 1.5m.

on the manufacture of the pieces a year, most of which will

simpler watch parts and the 20 to watch assemblers already

dured and imported compo- Jimmy McGregor, director of nents into completed watches, the Hong Kong General Cham-

Even during the 1974 slump, ber of Commerce, expects that

manufactures-based increase and that its success will

which rocked sections of Hone the plant's output will quickly

economy to their foundations, encourage other high technology exports of both clock and watch clock and watch makers to

parts and of finished products establish manufacturing ven-

continued to grow with Hone tures in Hong Kone

assembly of domestically pro operating in Hong Kong.

between Mr. Smith himself and

Jo McBride

which the giant Hutchison plant to Hong Kong.

#### Bandwagon

Mr. Zau bemoans the "herd print-outs to be made in the instinct" of the Colony's small gloom, with closures, lay offs also been radically altered, time entrepreneurs who jump economies of scale and those happens to be passing and consumer electronics horizon bandwagon seemingly lucrative, and then are pocket-sized two-way radio calculators as its brightest star with the recunical know-how lurn out nothing but inferior but etil has transistor radius as began preferring finished proin January this year amounted but still has transistor radios as ducts to component—a trend industry is he says, no place to \$HK2.2m. compared with its mainstay. Worst hit were reflected in last year's export the sales of companies geared foures which showed the value for the little man, with Hong 1973. Leading this field are figures which showed the value Kong moving swiftly into the Micro Electronics and Wesco to manufacturing electronic agures which showed the value Kong moving swiftly into the Micro Electronics and Wesco components for the U.S. of shipped parts 31.7 per cent. manufacture of more technic products which are already market, with companies such as of all exported finished products. industrial products.

But components, especially stiff competition from the U.S for computers, have not been totally eschewed by the Hong manufacturers and predict a decline in the manu-facture of AM/FM transistor director Allen Lee estimates radios—at least at the cheaper "very conservatively" that his end of the spectrum-exports company's exports of computer of which fell by 7.6 per cent. peripherals will increase by 30 last year but still managed to per cent. this year as U.S. manumake up over 40 per cent. of facturers stock up their

tronics industry now slightly Hong Kong "can no longer lower than it was in 1974 compete in low-end transistor (\$HK586.6m, compared with rad:o and memory products," \$HK589.7mL) Hong Kong is also

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# Bullion

Society, which celebrated its plies came from a single monoobligations which they are major dealers quote "local"
footh hirthday last year, handles polistic source, the so-called anxious to hold over.

London or Zurich gold prices
an estimated 300,000 ozs of gold Macao gold syndicate, which The interest rate burden during the business hours of the
on an average day's business.

Was able to manipulate local would normally fall on buyers gold and Silver Exchange
This makes it bigger than the prices virtually to please itself, who want to remain "long" Society. The "local" London
combined gold markets of the

Silver exchange is highly specuwhich circulates in large quandependent, so much so that its high.
tites—though often illegally—statutes still forbid nonaround South East Asia and Chinese business houses to besystem, which outsiders were
system, which outsiders were
change which says that Hong international gold markets of The Exchange is also remark- two or three years ago. goes should be brought more into London and Zurich rather more able for the fact that it uses legally. When the population what appears to be a unique hoarding gold in the months form of trading contract and before the fall of Saigon much standards of gold purity and of the passed through Hong Kong units of measurement which are used instead of the western by the critics as an anachronism America. The flow is now in indigenous to Hong Kong. the reverse direction since for obvious reasons no more gold Contract is leaving Vietnam while, in some other Asian countries, stimulated a revival of hoard- an "undated" or "open- cent as compared with the 99.5 mately from the innate conserbut either way Hong Kong gets of the 195 Exchange members bars which have been exported the business, although there are can buy or sell gold for forward to Europe and melted down for other Asian financial centres, delivery at any time of the conversion into other weights But in the meantime Exchange been doing their best to get in are not legally obliged to unpredictable so far as purity

Hong Kong's pre-eminence in buyers, correspondingly, are The rather special character of the Asian gold trade dates back not obliged to pay. The key the Hong Kong gold market, and quite a few years but it was feature of the market is the the no-foreigners rule in the is now estimated to be around powerfully reinforced, two daily settlement (at 11.30 cach Gold and Silver Exchange SHK200,000.

uncertainties have by the Society is described as a minimum purity of 99.0 per ing. Asia has thus become a ended" futures contract and per cent. minimum in use in dealers and their fear of being nct gold importer from Europe, works roughly as follows. Any London and Zurich. Hong Kong such as Singapore, which have business day but sellers of gold are said, however, to be slightly deliver by any speific date and is concerned.

HONG KONG is one of the few from local Chinese traders but "shorts" who have previously any actual trading in the Far Eastern business centres also probably spotting a valu-sold and now wish to deliver market itself. The international that has successfully developed able source of invisible earn- and a "longs" who want to dealers do however, by perhaps a commodity trade in competi- ings, lifted its previous ban on take delivery of physical gold, to play, particularly perhaps tion with Europe and the U.S. gold imports. But even before The two groups do not when gold is being channelled It has managed this feat so far January, 1974, when imports normally balance out so an via Hong Kong from Europe to in the case of just one com- were illegal, gold did find its interest rate factor is the Far East. They have been modity—gold. The Chinese way illegally into the Colony "suggested" for payment by playing it recently, through a Gold and Silver Exchange as well as legally out of it. Sup- those with delivery or payment parallel market in which they which calculated the supplier of the colony "local" the colony that the colony "local" the colony "local" the colony that the c

combined gold markets of the U.S. and, more important. in terms of the money that changes hands, than the Colony's four stock exchanges put together.

Like most of Hong Kong's departments in Hong Kong.

With the legalising of imports during times of falling gold prices do not correspond precisely with actual London prices to stay "short" when prices and on sellers who want cisely with actual London prices to stay "short" when prices since there is no overlap because the dealers who had previously kept together.

Like most of Hong Kong's departments in Hong Kong.

Hong Kong. However, they after the daily settlement but results the local "London want to femain "long" Society. The "local "London prices during times of falling gold prices do not correspond precisely with actual London prices to stay "short" when prices and on sellers who want cisely with actual London prices to stay "short" when prices and on sellers who want cisely with actual London prices to stay "short" when prices and on sellers who want cisely with actual London prices to stay "short" when prices and on sellers who want cisely with actual London prices to stay "short" when prices and on sellers who want cisely with actual London prices to stay "short" when prices are rising. For much of tween business hours on the coming out of Vietnam, the which gold is being traded in buyers were having to pay up Hong Kong. However, they Like most of Hong Kong's departments in Hong Kong, buyers were naving to pay up Hong Kong. However, they other markets the Gold and Dealings on the market are now towards the end of the year the more closely in touch with other towards the end of the year the more closely in touch with other balance shifted the other way, world markets. Turnover on the Sliver exchange is nightly special fairly closely national matter balance shifted the other way. World matter, the short interest rate reached parallel market is estimated at chairman, Mr. Woo Hon Fai national markets, but not to the a peak of 42 cents per tael a around 150,000 ounces per day, the is band of the Colony's attention of the Colony attention att who is head of the Colony's extent that Hong Kong is couple of months ago, which in although this is only a guess. biggest bullion dealer, would just a far eastern branch of monetary terms is equivalent to like it to be less so. Hong Kong, London or Zurich. The Chinese however, is also the major clearing house for the physical gold Society remains stubbornly inwhich circulates in large quandependent so much but still remains relatively

There is a school of the physical gold Society remains stubbornly inbut still remains relatively

There is a school of the physical gold Society remains stubbornly inbut still remains relatively

There is a school of the physical gold Society remains stubbornly inbut still remains relatively

between Asia and the main come floor trading members, not even allowed to view until Chinese numerals are widely by the critics as an anachronism on its way to Europe or indicate the Hone Fore variety and trading takes place difficult for the Colony to take in lots of 50 taels (I tael equals its place as a major interabout 1.2 ounces) using a standard bar weighing five taels. Arguments in favour of the five The trading contract in use Tael bars are supposed to have tael bar probably derive ulti-

when the Govern-morning) when exchange mem. Society, combine to keep interment, submitting to pressure bers group themselves into national gold dealers from doing

is the Far East. They have been

whether these fears are justified. members do not seem to have too much to grumble about. The transfer price of a seat on the is now estimated to be around

Although corruption in Hong Kong is not necessarily worse than elsewhere in Asia, police cases especially have received widespread publicity. The Government has tightened up the ordinances dealing with the problem.

# Corruption

people involved or the amounts Hong Kong Police Force, a part to interrogate them at 6.30 in "satisfied customer" principle of money which change hands, of whose job consisted of investi- the morning, or the references involving two or more people is probably not greater than in gating offences among the force's which its director has made to who stand to gain mutually which are more obviously acute in Hong Kone than in most other Asian countries, probably investigating also helped to make corruption a sensitive issue. But the rela-Kong police force who de-public to a greater awareness. Almost exactly half the for- by its investigators, although camped to the U.K. in 1973 of the problem. The ICAC re-ruption allegations so far there has been a steady stream while the Government was pre-ports directly to the Governor, reported to the ICAC have of convictions on medium-sized

or reward for doing his job but ence.

in terms of the numbers of Corruption Office of the Royal descending on suspects' homes on what it describes as the

survey, devoted 70 per cent, of the establishment in 1974 of about two thirds of the total their Hong Kong coverage to the Independent Commission but have now fallen to slightly Achievement corruption stories in 1974- Against Corruption as an agency over 50 per cent, thanks to a setting most of their mileage for receiving and investigating publicity campaign waged by to date is probably psychoout of the now celebrated God- corruption complaints (but not the Commission to "report cor-logical rather than concrete. No her case involving a chief for prosecuting suspects) and ruption in person." superintendent of the Blong for seeking to "educate" the Kong police force who de-public to a greater awarenessparing to prosecute him for unlike the defunct police agency, concerned the police, with the charges. The Godber case—the bribe taking. The Godber case whose activities could be rest spread among a dozen or which ended over a year ago obstructed from within the so other Government departance of extradition and conviction) police force itself. During its ments and the private sector, and no new charges of a similar seems also to have joilted the two years in operation the Combattant has a number of police investing the convergence of a similar section of the convergence of th llong Kong Government into mission has stirred up its fair has a number of police investiziving top priority to the cor- share of public controversy, to accept the conclusion that the
ruption problem.

Complaints about its activities—
ruption problem.

Complaints about its activities—
ruption problem.

dol not outlaw the taking of. These accusations, however, particularly in sections of the loans. The corruption "watch- seem to relate to rather minor Government, concerned, with dog "from the post-war period points such as the ICAC's public works, the ICAC says

many other Asian countries and own members. But in the last holding businessmen or officials and who have no motive for possibly no worse than in many couple of years there have been "accountable" for corrupt reporting to the authorities. major cities in the West. It important changes in both the practices by their juniors. The The private sector (which has has, however, become a major law and the institutional true picture would seem to be so far yielded about 80 cases problem for a variety of rea-machinery. In 1971 Hong Kung that the ICAC is still getting out of the 410 brought to sons: the first is that Hong introduced a new and very much into its stride, but is doing its court since the ICAC started! Kong's position on the doorstep stricter Prevention of Bribery job quite well with the is another matter. Reporting of the People's Republic of Ordinance which covers the resources available and is begin- of corruption from inside con-China inevitably invites come acceptance of loans as well as ming to get results. The Come panies naturally tends to be parison (at least by its own gifts and which goes beyond mission has relied largely on infrequent and some problems. Chinese population) between British law by classifying "un-information brought to it by the of defining what does or does the relatively uncorrupt situates explained sources of wealth" as public up to now, though there not constitute private sector tion over the horder and the grounds for instituting corrup is talk of "going on the offen corruption are admitted to exist. practices which exist at home, turn proceedings against public sive" to investigate corrupt The prospect appears to be, how-Two years after the new bri- years and two months in opera. Hong five openness of corrupt activity bery ordinance was adopted, and tion, of which about half turned associations have recently come in the Colony up to a year or in the wake of the Godber out to have something to do out against the practice of two ago may have done most to scandal, the Government decided with corruption. The number exterting commissions which is create the had image that un-to move the "watchdog" func- of anonymous complaints, which followed by the buying agents doubtedly exists. British news tion out of police headquarters for obvious reasons are hard to of some foreign companies.

Almost exactly half the cor-Control of corruption in some of them possibly inspired by vulnerable sectors of the continuous of official concern was community—have included allegations of "police state" methods of questioning and a too.

Complaints about its activities—to accept the concusion that the probably justly claim that corruption in Hong Kong has become less idiatant and that the public has been convinced that the Government means business of a police of the public has been convinced that the Government means business and a too. havel on a 1948 ordinance which gations of "police state" those in other Government mass businade it a criminal offence for methods of questioning and a loo departments. The next state will be to department employee to concerns interpretation of the says, because the police are in corruption that undoubtedly ence. general public. Elsewhere, and

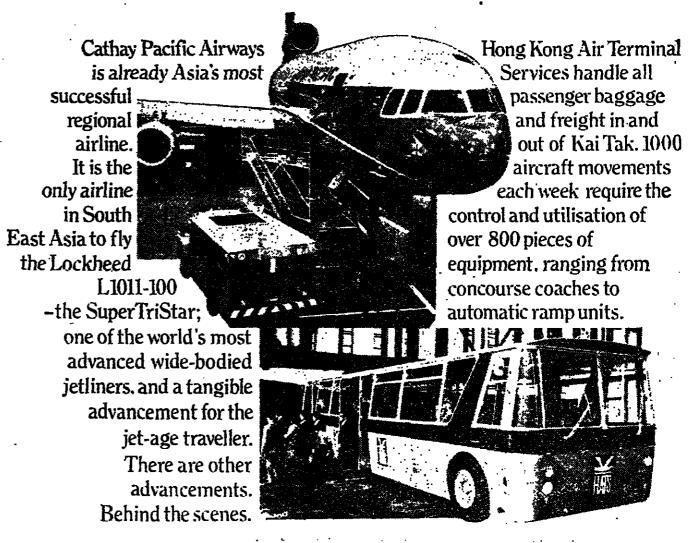
CORRUPTION IN Hong Kong, until two years ago was the Anti- admittedly unpopular habit of corruption tends more to work

practices in sectors where ever that the private sector public information is not will be getting a bigger share readily available. Its records of ICAC attention from now on show that it has received around with some support from the 15,000 complaints during its two business community itself. Kong manufacturers

really speciacular instances of curruption have been unearthed exists in the colony but which is unlikely to be reported by

the public.

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The tourist industry has seen little growth in recent years, compared with the earlier bonanza, but it remains the Colony's second largest source of foreign earnings. Indications are that a lower profile will be accepted.

# Tourism

second largest "industry" in and a 0.4 per cent. rise in 1975. the Colony (in terms of foreign Hong Kong was overtaken by

destination for the wealthy

HONG KONG has managed to Japanese tourists of pre-of stay at the top of the pile in crisis days. From then on, howthe bitterly competitive Far ever, the industry ground to Eastern tourist business. But virtual halt with a 0.3 per cent. the men who oversee this rise in visitor arrivals in 1974

exchange earnings tourism Singapore last year in terms of ranks ahead of electronics visitor arrivals because the though far behind textiles) are number of people going to obviously feeling a good deal Singapore during the year shot less pleased with the results of up by 90,000 against the Hong their efforts to lure foreign Kong increase of a mere 5,000. visitors than they were a year Tourists are still staying longer or two ago.

in Hong Kong, however, and
The number of tourists rose almost certainly spending more
by almost 10 per cent, a year money there than they are on average between 1968 and doing in Singapore. (Full 1975 1972, when it passed the million figures are not yet available but mark. In 1973 there was a huge in 1974 Hong Kong's tourist leap from just under 1.1m. earnings were \$476m. against visitors to nearly 1.3m. caused Singapore's \$270m.) The colony in part by the fact that Hong can therefore claim to be stayin part by the fact that mong ing ahead of its rivals unless Kong was becoming a favourite ing ahead of its rivals unless destination for the wealthy one includes Hawaii, which is a bigger tourist destination earning more money from the same markets as Hong Kong but not

generally considered to be part

The reasons why people come to Hong Kong could be put under three main headings, although the list does not have the official endorsement of the Hong Kong Tourist Association. First, the Colony is a focal point on Far Eastern airline routes, particularly for Americans mak-ing Asian or round-the-world tours. Secondly, Hong Kong represents China to the Westerner but can conversely, be intively empty of visitors or But there is another aspect to geniously presented to the anyone else.

The shopping question which oriental visitor as being a little

The Tourist Association is sounds surprising but seems to

popular purchase by visitors seen at present as a place for neighbouring countries family holidays or couples centre Hong Kong acknowledges who do not trust their tocal (Japanese honeymooners, for that it has certain image currencies (22 per cent. of retail example, would certainly prefer problems. The Tourist Associations of the countries of t sales to tourists are in the Hawair).



(despite rising prices) well on adventure-style hotels aimed that the value-added element in justified image as a shopper's at young people in the New tourist sales through the Territories. A snag about this colony's shops is over 50 per.

The Colony is the place to kind of development, however, cent., whereas the value-added buy Chinese handicrafts and could be that the people who element in textile exports is other artefacts, for those who come to Hong Kong are not only 34 per cent. Analysts cannot go to the People's necessarily looking for the kinds explain the difference by point-Republic itself. It remains one of facilities the Tourist Associa- ing out that Hong Kong shopof the custom-tailoring centres tion would like to offer them, keepers and wholesalers give of the Far East (though a few Sixty-five per cent. of all visitors themselves a handsome mark-up, complaints have been registered (or 75 per cent. in the case of whereas textile manufacturers recently in this area). It is a the Japanese contingent) are (whose raw materials are also major centre for gold and men which would tend to imported) work on profit jewellery, which is an ever suggest that Hong Kong is not margins pared to the bone. popular purchase by visitors seen at present as a place for

still at quite reasonable prices to per person, but only 2.6 days the shopping and entertainment the throngs of tourists. About for Japanese visitors). This, districts around Nathan Road in two-thirds of tourist spending in however, is clearly going to take Kowloon. There is also concern the Colony is accounted for by time and in the short term the about shopping, whereas in most other Tourist Association seems to be practices." Asian tourist centres the main cutting back on promotional share of the tourist dollars is efforts. Plans to open tourist taken by restaurants and hotels, offices in Singapore, Osaka and Italy were scrapped last year. Existing offices were closed down in Canada and Switzerland because of a lack of resources not

The Hong Kong Tourist Asso- caused by the recession.
ciation, though grateful for the The emphasis on shopping shopper's paradise image, would means that tourism in Hong like to spread the emphasis Kong has a high rate of labour somewhat by directing visitors' productivity needing only 15 comment that "mishandling" of attention to cultural assets such workers to generate earnings of visitors and "reports of as the opportunity the Colony HKS1m. per year, against the malpractices" have eroded the affords of observing traditional textile industry's man-earnings colony's good image in Japan. Chinese life-styles or even by ratio of 58 workers to SHK1m. These problems are associated getting more people out into It also means that a lot of what with the rising crime rate which the country. Hong Kong's is spent in the shops by visitors has been a problem not just remoter areas, such as the moun- goes out of the country to buy for the tourist industry but tainous island of Lantau (twice more consumer goods. Figures generally. The problem, howas big as Hong Kong island published by the Tourist ever, needs to be seen in itself) or the more out-of-the Association indicating that proportion. Hong Kong is still way parts of the New Terri-tourist earnings have in some by world standards a safe city tories, are extremely heautiful years almost balanced the visible and it still offers some of the and, for the time being, rela-trade deficit are thus slightly best shoppers' bargains and misleading, since the tourist some of the most picturesque

as a substantial contributor to the visible trade deficit.

bit of Europe in Asia. Finally, building two new resorts in make a case for the industry. Hong Kong has an enviable and Lantau and is planning to start The Tourist Association says

sales to tourists are in the Hawaii).

jewellery category).

Patient propaganda will no
Last, but by no means least, doubt be conducted to pull in
Hong Kong imports duty-free, more holiday-type visitors as
or at low duties, consumer goods well as to get people to extend
from other countries and sells the total length of their stay in
them at a handsome profit, but the Colony (at present 4.6 days
the shopping and entertainment " unethical

#### Eroded

The Japanese, who form the biggest group of tourists, but necessarily the mos popular with local people, seem to have been getting a particularly rough deal recently. This is indicated by the Association's

industry can itself be considered sights on the Asian tourist beat.

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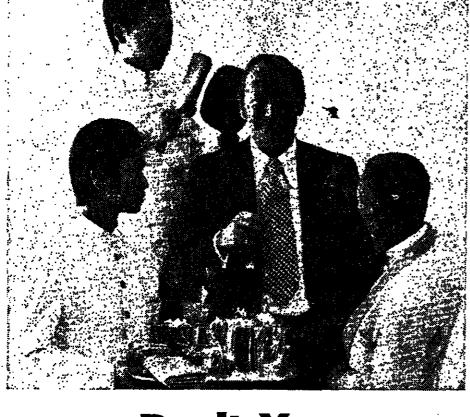
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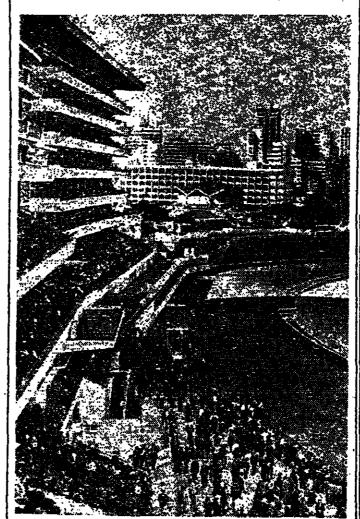
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The grandstand, Happy Valley racecourse.

# U.S. anti-trust hedges grow pricklier

HE FACT that the German A frequently quoted exampleartel Office has ruled against is Procter and Gamble's acquisi- INDUSTRIAL GASES MARKET KN's purchase of Sachs, tion of Clorox, the leading ie vehicle component manu- independent supplier of housecturer, is a reminder of the hold liquid bleaches. The ni-trust obstacles which can acquirer, immensely strong in ake it difficult or even impos- detergents and other household ake it difficult or even imposble to break into new markets products, was on the fringe of means of acquisition. The standard bleach market and its presence there did have a influence influence such obstacles are specially formidable, and there Procter and Gamble clearly had e signs that the problem may the resources to enter the getting worse. Three current market from scratch; the hope ises, involving Nestle, SKF was that, if it did so, it would nd BOC International (form- make the industry more comly British Oxygen), have high, petitive. zhted an antitrust doctrine hich poses special problems r fereign companies.

No one is suggesting that the The Nestle case is much less mirust enforcement agencies clear aut. One of the world's misleading, parily because they -are biased against non-

resence on the fringe of the tarket, waiting anxiously to get

the liquid bleach market and " pro-competitive "

the Justice Department and leading producers of branded did not take account of the subte Federal Trade Commission consumer food products, this stantial quantity of gases products based against nonmerican companies: on the intrary, their entry is generally welcomed as a stimulus to in the U.S. through its own for their own consumption. If Nestle subsidiary and, more these amounts were included, over the doctrine of "potential competition," which, if Libby, This acquisition was cleared by the Justice Department on the prounds that merican companies: on the company has long been active companies, such as U.S. Steel

en plants (de noro entry) or in the food industry generally supply agreement with Federal a new supplier. y buying one of the small was likely to be reduced. The Mogul, were challenged by the appliers to toehold acquisi- complaint is directed against FTC in a wide-ranging com- International, will be watched France. Linde and Messer one of the major suppliers. "de-concentrate" the industry of such in on).

the parent company (Nestle plaint which also covered SKF's with special interest by would- Griesheim in Germany, British Mr. L. E. Smith, chairman of BOC argued that these future industry.

Union Carbide (Linde) 17.98 15.73 Air Products & Chemicals Airco

5.63 4.98 4.15

Liquid Air" Liquid Carbonic Big Three Others

These market share statistics were presented by the Federal trated with the four leading 70 per cent. of the total market. BOC argued that the figures were duced by vertically integrated

a subsidiary in the U.S. since



Mr. L. E. Smith, chairman of BOC International: "I cannot conceive any circumstances whatever that would bring BOC into the American market in the foreseeable future, barring Airco."

of the old British Empire, AGA start an operation from scratch The point was that the acquisiin Sweden. For technical rather would cost \$240m, and it would tion of Airco did not itself than "cartel" reasons it has be at least ten years before it lessen competition. always been difficult for one of became viable. As for toehold. No evidence had these giants to break into acquisitions. BOC considered produced to show that BOC's another's market. The base load several small companies, but presence on the fringe of the has to be provided by the "ton- none of them looked remotely market had had any effect on nage" contracts, whereby BOC, like a commercial proposition; competitive behaviour; the for example, will build a large with small and outdated plant, record showed "complete in-air separation plant to supply they offered no advantage over difference" to BOC. The the Port Talbot steelworks with de noro entry. oxygen and other gases; the The FTC pointed to the ex. declined to rule on whether a "tonnage" plant is built with ample of the French company, marger of this kind, which did a margin of excess capacity so L'Air Liquide, which in 1968 not in itself lessen competition that the outside or "merchant" had bought one of the smaller and in which the acquirer had market can be supplied in companies. American Cryo-previously exerted no prosmaller quantities. Because of genics (then a subsidiary of competitive influence, economies of scale it is usually Standard Oil of New Jersey) illegal solely because "it necessary to enter the tonnage and had apparently made a eliminates the prospect for and merchant markets at the success of it. But BOC argued long-term deconcentration of an same time: companies reckon to that the financial attractions of oligopolistic market." make their money on the mer- this deal, and of the subse- argued that such considerations chant business, while supplying quent purchases which the involved speculative guesses their long-term tonnage cus- French company was able to about future events which tomers virtually at cost.

#### Air Products

bution system to be a significant the FTC court itself have found ing Air Products in its own home aster areas."

make, were quite different from should have no role in antitrust anything that was available at enforcement. the time of the Airco deal.

many small companies which The "tonnage" business is "could presumably be pur-

The FTC argued that the 1915, but it was not represented competitor and had given against the British company, market. But the opportunities The FTC stressed that BOC anything between 10 and 20 per Employed that if are Nestle as a potential company to the company of the company the may in itself encourage effect of the deal was to elimin in taper roller bearings until serious thought to entering that BOC has appealed and the for breaking in are by no means was one of the very few cent, will be looked at carefully, impetition. It follows that if ate Nestle as a potential com- 1955, when it acquired Tyson, when it acquired Tyson, and anything higher is deal when that company decides petitor. The dominant position the third largest manufacturer of the market, it should of Stouffer in the "quality" of that product: five years later acquisition. The world industrial gases industry; by cidedly risky. But in applying acquisition in the "quality" of that product: five years later acquisition. The world industrial gases to the U.K. The nub of BOC's reply barring them from acquiring the doctrine of potential composition of the possibility of industry is dominated. Trade Commis- Airco, they were keeping open petition there are many grey making the industry more composition. he established major pro- strengthened and competition Company. Last year both these making the industry more com- been for many years, by a sion is that there was no com- the possibility that BOC might areas, which will only the pro- been the possibility that BOC might areas, which will only the pro- been the possibility that BOC might areas, which will only the pro- been the possibility that BOC might areas. weers, but by putting up its in the frozen entree market and acquisitions, and a subsequent petitive through the arrival of handful of companies — Union mercially feasible way in which enter the market in a more clarified as new cases are de-Carbide. Air Products and Airco it could establish itself in the "pro-competitive" way at some cided in the courts; that is why The third case, involving BOC in the U.S., L'Air Liquide in U.S. market except by buying future date and thus help to the outcome of the BOC case is

Supreme Court had specifically

## The FTC said there were Grey areas

a fairly recent development and chased in similar fashion" and features in this case, notably the it was the shift in the U.K. mar-regarded it as an "unrealistic economies of the industrial ket, during the late 1950s, which burden" to have to prove that gases industry and BOC's worldwas the solid in the U.K. mar-regarded it as an "unrealistic economics of the industrial set, during the late 1950s, which burden" to have to prove that gases industry and BOC's world-free of deterring new acquisi-free free products its chance to any one of these tocholds re-wide role in it. But many fect of deterring new acquisions and even unscrambling fruit and vegetables, was in a lac), and Nestle is denying the pean companies.

for unlike SKF and Nestle, BOC break into British Oxygen's prepresented a commercially European companies, in condifferent line of business from FTC's jurisdiction. While this
Here again there is a dispute had not been active in the U.S. serve. This was an unusual attractive proposition. As BOC sidering U.S. take-overs, will

on any significant scale before situation in that British Oxygen put it in its brief, the Judge (end, like BOC, to look for com-Nestle, had a small share of its is being considered in the over jurisdiction, but the FTC's on any significant scale before situation in that British Oxygen put it in its brief, the Judge lend, like BOC, to look for comfige well-linanced company significant stressed that SKF, it acquired, at the end of 1973, was a monopoly and its "believed that real availability panies which hold a significant fige well-linanced company financial difficulty. But Nestle's that it is neither an actual com- before the purchase of Tyson, a 35 per cent, shareholding in customers were pleased to well- and real attractiveness are share of the market. hich does not actually subsequent purchase of petitor to Stouffer nor a potent was "one of the few most likely Airco. The third largest processes are snared in the market but Stouffer Foods, a major protial entrant to its market.

Sinterested in doing so and discount foods. The process are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The third largest processes are snared to the market was "one of the few most likely Airco. The market was "one of the few most likely Airco. The market was "one of the few most likely Airco. The market was "one of the few most likely Airco. The market was "one of the few most likely Airco. The market was "one of the few most likely Airco. The market was "one of the few most likely Airco. The market was "one of the few most likely Airco. The market was "one of the few most likely Airco. The market was "one of the few most likely Airco. The market was "one of the few most likely Airco. The market was "one of the few most likely Airco. The market was "one of the few most likel the necessary resources and ducer of frozen prepared foods

so the necessary resources and (including TV dinners), has Another unresolved case considering market." The FTC challenged the acquisition: technology. Not surprisingly, tocholds and there is no need recent FTC decisions is that strength the strength of the properties of the strength of the properties of the pr competitor. Its and the case is still unresolved, bearing producer. SKF has had button expertise, resources and distri- in the initial decision and then ing the compliment and attack- are outrageously overpriced dis- share of less than 10 per cent.

## Letters to the Editor

# rom Mr. P Carter-Ruck

Sir.—I should like to support Berkhamsted, Herts. spundent "Justinian" which e expresses in his article Courts make tife harder for the 'ress" (May 10). There is unfortunately no rule

those which follow suit with Tremuddick, one and two years thereafter 58, Stander Street, ry and ry's respectively—and Brackenhurst Ert. 1, rest to without. Then let us Alberton 1450, S. Africa the difference!

#### Arden Road, Finchicy, N.3. Perfectly good English

m the Managing Director.

Law of criminal "different" by the preposition be thin or non-existent. In all comment is necessary, suffice it "to." Reference to the OED probability the perpetrator is to say that life and the educashows that "different to "is pertrying to get some dubious tion for it are both concerned notion into general currency.

## Majority

conditing fourther with an equality appropriate that the bear this in mind it about events in South Africa and the published is true, is for the public benefit that has been published. It is important to bear this in mind income is come in covil proceedings proof truth alone is a complete denice.

I believe that the law of time the civil remedy where the defendant is gardy without the defendant in the gardy without the defendant is gardy the gardy and their argument these supported by neither theat gardy with the gardy wi

received remody is imappropriate, mely where the defendant is early without means or where a publication has only been to a romplaniant himself unless a statement is so outrageous to be remainely calculated to use a breach of the peace. So far as damages are continued, it is to be hoped that most removed that mean institution will take note of ur correspondent's observations upon the award to Lord ristions made by Justice in "The while the majority of voters may the fact that to the majority rule". For how many thous made by Justice in "The while the majority of voters may the fact that to be majority rule that mean the majority of voters may the fact that the person are no respecters of law. schillion will take note of majority rule? For how many treat truth about inflation. It is possible to observations upon the award 10 Lord years has the electoral system in the supon the award 10 Lord years has the electoral system in the supon the award 10 Lord years has the electoral system in the supon the award 10 Lord years has the electoral system in the supon the recommendation was that the Court of other one by virtue of congective that the court of other one by virtue of congective the supon the report of the report of the recommendation of the recommendati

se conditional pay deals. Let gowns he would now how which is indexed from year to be escape attention is the pro-nounce, which, if they have my class or even have working the gost of state education, pensity to borrow for non-capital numbers, which, if they have my class or even have working the gost of state education, pensity to borrow for non-capital already done so, there may make the way in These can only be used in part purposes—something that is forproved profit-sharing scheme which they spend their disthe end of the current finan- possible income.

I year by entitled to x tax reNicholas W. Menhinick.

The word "state" is revealed by Treasury debt and of

the cost of state education, pensity to non-capital

the cost of state education, pensity to non-capital

These can only be used in part purposes—something that is forpayment of fees at state bidden to local authorities. The

approved educational establish measure of this borrowing is

the cost of state of state bidden to local authorities. The

approved educational establish revealed by Treasury figures of

#### incomes policy

From Mr. T. Arthur.

One hesitates to accuse Mr. Hugh S. O'Neill.

tive incomes policy in our current economic climate" then we can be sure of two things. First the politicians have yet right the law works apprictionally so far as both concerned of Court and Parliamen. Sir.—I have just received my of propaganda. That from time Sir.—Rowena Milis (May 11) Sir.—I have just received my of propaganda. That from time Sir.—Rowena Milis (May 11) Sir.—I have just received my of propaganda. That from time Sir.—Rowena Milis (May 11) Sir.—I have just received my of propaganda. That from time Sir.—Rowena Milis (May 11) Sir.—I have just received my of propaganda. That from time Sir.—Rowena Milis (May 11) Sir.—I have just received my of propaganda. That from time Sir.—Rowena Milis (May 11) Sir.—I have just received my of propaganda. That from time Sir.—Rowena Milis (May 11) dard Institute of Journalists, Standard House, April 5 and would like to composition have continued propaganda the humoug in respect of the meed for in and the humoug in respect of the meed fully than I intend people of the meed for in and the humoug in respect of to on the article by Mr. Joe comes politics in a remarkable Covernment policy or income.

used in its platonic rather than the total national debt and of its united sense. I understand the assets held against it. that the vouchers are passed in 1972 the debt exceeded direct to the school chosen by assets by \$135n.: a figure that the parent, presumably to avoid had risen to £19.5hn, by 1975, any illegal traffic in black There was thus an increase in market education. The scheme three years of £6.5hn, in the is interesting from two view-deadweight portion of the debt points. First, the parent choos-which must mean that borrow ing private education only pays ince to this amount were spent rom Mr. T. Arthur. once, unlike here where some pay as revenue.

Sir,—Few would have argued twice, once to the school in fees. As hard, saybody, inside with the proposition that the and again to the State in taxes, or outside Parliament.

R. C Coke-Wallis (May 12) of 92. Hoddern Arenue, such tactics, but if he is indeed Peacehaven, Sussex. correct in saying that "few will

#### Inequity and corruption

with the proposition that the and again to the State in taxes, or outside Parliament, seems of taxes, or outside Parliament, seems of state in taxes, or outside Parliament, seems of state in taxes, or outside Parliament, seems of state in taxes, or outside Parliament, seems of that the accountent that the action and its organisation is left to does not really matter. If that it is perhaps it and the case and is the case, and no limit to it outside Parliament, seems of states in taxes, or outside Parliament, seems of states in taxes, or

#### International Monetary Fund delegation due to arrive in London for consultations with

Government on U.K. money

GENERAL

Agriculture Ministers begin two-day meeting. Brussels.

President Giscard d'Estaing of France begins official visit to U.S.

East-West talks re-start on mittee meets. Scarborough.

Agricultural Wages Board OFFICIAL STATISTICS

Retail trade (April—provior motor trades of music by Bach and Schumann, St. Lawrence Jewry, next Guild-hall, E.C.2, 1 p.m.

Sport

Royal Commission on Press bearing Star Bournamakers' conference, French Kier Holdings (full year). World amateur and Institute of Journalists, Stan Bournamouth. French Kier Holdings (full year). World amateur feet for COMPANY MEETINGS: See Wembley. Yacht Week's Financial Diary on Page 7. week, Weymouth.

## To-day's Events CBI Northern Region Council PARLIAMENTARY BUSINESS

Wages Board OFFICIAL STATISTICS Agricultural

East-West talks re-start on neering Workers national reduction of ground forces and mittee meets, Scarborough, Engineering Workers' foundry COMPANY RESULTS

Royal Commission on Press section conference Llandudo.

supply.

Mr. Denis Healey. Chancellor of the Exchequer, attends EEC Finance Ministers meeting. Brussels.

EEC Agriculture Ministers Meeting Agriculture Ministers are supply.

Meets, Newcastle.

House of Commons: Finance Insurance Orchestra, conductor Maurice Miles, with Clarence Maurice Miles, with Clarence of Lords: Debate on Myerscough (violin), play works transport policy consultative by Mendelssohn, Grieg Sibelius document.

EEC Agriculture Ministers

Akroyd and Smithers (half-

ALLET
Stutigart Ballet dance Romeo
Coliscum Theatre, and Juliet, Coliseum Theat: W.C.2, 2.30 p.m. and 7.30 p.m.

Bournemouth. conference, year). British Leyland (half-year). Guildford tournament. Squash: French Kier Holdings (full year). World amateur championships,

# PETROFINA in 1975

#### **GROUP SUMMARY FOR 1975** 1974 Consolidated figures "Expressed in £ £2,206.298,000 £2,417,033.000 £74,156,000 £68.970,000 Profit after depreciation and tax ...... per share ..... £173,394,000 Profit before depreciation ..... £178,805,000 £836,691,000 Fixed assets (net of depreciation) ...... £967,971,000 \*Exchange rates at December 31, 1975: £=80.02 Belgian Francs 3.449 million 5.485 million Crude oil production (metric tons) ...... Refinery runs (metric tons) ..... 24.1 million 26.8 million 29.1 million 27.7 million Finished products sales (metric tons) ..... 2,730 million 2.709 million Natural gas sales (cubic metres) .....

## REPORT OF THE BOARD OF DIRECTORS

1975 was a difficult year beset with economic, monetary and social problems. Despite the recession, persistent inflation gave rise to serious

The oil industry was faced with many difficulties. In particular, as a result of measures taken by certain governments, rises in the price of crude oil and increased costs of refining, production and distribution could only be partly recovered in selling prices, whilst reduced consumption consti-tuted an additional problem. This situation had an adverse effect on the oil companies' trading

In this context. Petrofina's results can be considered satisfactory. The consolidated profit for the year 1975 amounted to 5.431 million Belgian francs, or 458 Belgian francs per share, an increase of \$3% compared with the 1974 profit of 5,015 million Belgian francs or 423 Belgian francs per

In conformity with Belgian practice, the results published in the profit and loss account and in the published in the print and loss account and in the balance sheet will henceforward include the withholding tax on dividends, amounting to 503 million Belgian francs for the years 1975 and 1974; the figures are therefore 5.934 million Belgian francs (£74.156.000) for 1975, compared with 5.519 million Belgian francs (£68.970.000) for 1974.

In view of the draft bill limiting dividends, the distribution of profits proposed at the annual general meeting was maintained at the 1975 level of 170 Belgian francs (£2.12) per share after deduction of the withholding tax on income from movable capital.

Furthermore, having regard to the Group's favourable prospects, a proposal will be made at an extraordinary general meeting, to make a free scrip issue to shareholders on the basis of one new share ranking for dividend on January 1st, 1976 for every 20 shares held, by capitalisation of part of previous reserves. The commencement of substantial production in the North Sea was the principal factor having a favourable effect on our results. The latter were, however, affected by new fiscal legislation imposing in Norway, as in Great Britain, a special tax on

income from petroleum production. The pipeline connecting the Ekofick field with Teesside in England became operational in October and the field reached its scheduled production rate of 15 million tonnes p.a. by the end of the year. Development of the other fields in the Ekofisk area

is being actively pursued.

Compared with 1974 which was an exceptional year, results in the United States fell off substantially mainly due to the slump which severely hit petrochemicals all over the world. Results in Canada showed improvement.

Marketing showed a deficit in nearly al! European countries. In Belgium, the losses we sustained over the last two years were of the order of a thousand million francs per annum. The group's turnover increased to 193,411 million Belgian francs (£2,417,033,000) compared with 176,548 million francs (£2,206,298,000) in 1974. The consolidated profits on these figures were 2.81% and 2.84% respectively.

Capital expenditure in 1975 amounted to 14,700 million Belgian francs (£183,704,000). Of this total, 9,000 million francs was spent on exploration and production, of which 6,400 million francs was invested in the North Sea.

The investment budget for 1976, amounts to 16.400 million Belgian francs (£204.949,000), the major part of which is for exploration and production, and includes 8.000 million Belgian francs for the North Sea.

To the Secretary.
PETROFINA (UK) LTD. Petrofina House, York Road, London SE1 7NT.
.Please send me a copy of the English edition of the 1975 Annual Report and Accounts.
Name
Address
***************************************
•••••••••••••••••••••••••••••••••••••••

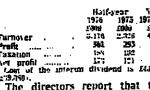
Good order book at

## Fluidrive forecasts substantial advance

GROUP PRE-TAX profit in excess of £722,000 for the year to September 30, 1976, compared with £381,000 for the previous year, is Com forecast by Fluidrive Engineering Abbo

On a turnover up from £2,326,000 to £3,116.000, first half f2,328,000 to £3,116.000, first half profit advanced from £253.000 to £361,000, and the directors say they expect that figure will be exceeded in the second half.

Stated earnings per 20p share in the first half increased from 2.2p to 3.1p, and the interim dividend is stended up from £7180. dend is stepped up from 0.716p Guthrie to 0.7876p net. Last year's net total was 2.4758p paid from earnings of 5.3p.



The directors report that the intake of orders was a record.
Major re-organisation of production is continuing as planned and the first phase has been practically completed at both factories with satisfactory effect.

With record sales, better marguss and lots of good news about production reorganisation going to plan at the interim stage. plan at the interim stage, to show a further increase of 20 Fluidrive Engineering must be per cent, on 1975. Fluidrive Engineering must be classed as an improving company in a healthy sector. Companies of Fluidrive's modest size making process plant for the coal and oil industries, have been doing well and last year its pre-tax profits were a record at £581,000. This year, with a forecast of a better second-half profit (£361,000 at the half-way mark), it looks as and the dividend is £336p if £800,000 could be on the cards —which would give an attractive. An analysis of gross trading —which would give an attractive An analysis of gross trading prospective p e of 62 times with revenue — £2.07m. (£1.92m.) — the shares currently at 45p. In shows: property investment interim dividend with the final, tracting E0.88m. (20.36m.).
the prospective yield works out .1 directors' valuation of com-

INDEX	TO .	COME	ANY HIGHLIGHTS		
пралу	Page	Col.	Company	Page	Ça
ott's Packaging	28	8-	Price & Pierce	32.	_4
ed Polymer		6	Rush & Tompkins	28	
y Wiggins	28		S. & P. Ebor	28	6
imers (E.)	28	5_	Sanderson Kayser	32	3
ke Chapman	28	7	Scottish European	32	5
<u></u>		<sub>5</sub> -	Utd. Carriers	28	_4
rive Eng	28		W. Bromwich Spring	32	5
hrie Canada			Weyburn Eng.	28	8

## Rush & Tompkins

Major re-organisation of production is continuing as planned and the first phase has been practically completed at both factories with satisfactory effect. The capital investment programme is being implemented as planned, they add.

Comment

Comment

SOME OPTIMISM about prospects any surplus over book value of the other assets, net asset value per chairman of Rush and Tompkins share is shown at 176p (140p) the country before capital gains tax and 139p after allowing the maximum estimates to be considered as planned, they add.

The climate for property deversions that all the portfolio was sold.

Meeting, Marlowe House, Sideup on June 11, at 2.30 p.m.

Chairman's statement Page 32

SOME OPTIMISM about prospects any surplus over book value of the June 8.

## **Progress** for Berry Wiggins

interim dividend with the final, the prospective yield works out at a healthy 8) per cent. covered at a healthy 8) per cent. covered 21 times on projected profits.

SPIRELLA

SPIRELLA

The Spirella Group change of Faylow of the company to the oil (199,000) and including 149,000 to the company is now tracted for.

Including 149,000 to the oil (199,000) to the oil (199,000) including 149,000 to the oil (199,000) to the oil (199

Our newhome is 1976 throughout

On 10th May Crédit Lyonnais moved to its new building in

Queen Victoria Street, after over 100 years in Lombard Street. Much

has changed in the London scene since we first opened for business

here, but not the leading role of the City in International Finance.

We are glad to have been part of its traditions

and growth for so long and look forward to our

second century. Consult us. We can help and

we shall be glad to.

minor partner in a joint venture (1.728p) net.
In bitumen it is already in a Meeting. Sywell, joint venture with BP Oil which June 9, noon. has an option to buy the company

out and there is a "reasonable possibility that they will do so." says Mr. Bristol.

As known, group turnover for 1975 was £11.76m. (£19.91m.), pretax profit £1.86m. (£19.6m.), and tax profit £1.86m. (£1.26m.), and the dividend 1.925p (same) net per 25p share with the final of 1.225p on increased capital.

W. Bromwich Spring 32 5

Weyburn Eng. 28 8

Weyburn Eng. 28 8

Weyburn Eng. 28 8

The major contracting, 78.5 and 54; Elbar Industrial, and compatition in marging with consequent refining and storage, 32 and 63.

The major contributor to earnings figures for the first quarter of 1976, it is hoped that a total included in the accounts of also contributed, mainly from the 20.8m. It is the intention to in
Tax profit £1.86m. (£1.26m.), and the dividend of 1.925p (same) net total final of the dividend in 1974, the directors state.

Discussions have opened which could lead to a major acquisition, they add.

Stated earnings per 10p share on trading figures for the first quarter of 1976, it is hoped that a quarter of 1976, it is hoped that of the profit from the profits for the full year will show (£147.182), after tax of £24.930 (£53.234). £20.8m. It is the intention to in-German company, which is ex-struct the independent surveyors panding rapidly in the Middle to carry out a full inspection and East. Oil Base is only just finding to carry out a full inspection and to carry out a full inspection and valuation before December 31, its feet, but with projected contracts in view, it should expand during the next two years.

Meeting, Grosvenor House, W.,

during a period of difficult times for the economy nationally, and is "well placed" to take advansions of Berry Wiggins and Cu. man emphasies that there is has, been satisfactory in the much to be gained from within current year, reports the chairman, Mr. Paul Bristol.

In all, the main purts of the company.

The replacement programme for the collection and delivery group continue to grow and it is vehicles continued in the year intended the major growth should to January 31, 1978. Year-end be as a drilling contracting and commitments were £600,000

prospective p.e of 61 times with revenue — 12.000. (1.000) intended the major growth should to January 31, 1915. The shows: property investment intended the major growth should to January 31, 1915. 1916. (1.000) addition, if the company follows: 10.86m, (10.97m.); residential development to 34m. (10.39m.); company to the oil (10.91,000), including 149,000 industry. (196,000) authorised but not con-

St Pancras

was new when

we first opened

Date Corre- Total of spending for

payment div. year Sept 30 0.72 —

DIVIDENDS ANNOUNCED

Current

On capital increased by rights and/or acquisition issues.

Better year

£396,140 for 1975, says chairman

As the volume of group business has grown considerably over the past three years due to acquisitions, inflation and normal growth, the directors consider it

prudent to recommend an in-crease in borrowing powers.

Mr. A. L. Hood.

seen by

profits for the full year will show an improvement over the

# at Allied

9.3 per cent. Both are wholly interested of the motor industry, and to A satisfactory order intake was mium of 255p per share. Proceeds depressed sales of consumer achieved overail at a value in except depressed sales of consumer achieved overail at a value in except depressed on by its Scottish substituted on by its Scottish substituted of VAT applied during 1975.

The group trading activities are dealers in motor vehicles, manufacturers of agricultural machinery. Tight engineers, seed merchants and incommongers. Other group companies operate as finance or include the year with a profit, companies operate as finance or include the year with a profit, companies operate as finance or include the year with a profit, companies operate as finance or include the year with a profit, companies operate as finance or include the year with a profit, companies operate as finance or include the year with a profit, companies operate as finance or include the year with a profit, companies operation of the overdeat.

A satisfactory order intake was in the market at 260p—a net precious in the overdeat.

A satisfactory order intake was in the market at 260p—a net precious in the overdeat.

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A satisfactory order intake was in the market at 260p—a net precious in the overdeat.

A satisfactory order intake was in the market at 260p—a net precious in the overdeat.

A satisfactory order intake was mium of 285p per share. Proceeds also of consumer achieved overail at a value in exchieved overail at a value in exchieved overail at a value in exchieved overail at a value in the market at 260p—a net precious and the motor industry, and to A satisfactory order intake was mium of 285p per share. Proceeds also of consumer achieved overail at a value in exchieved over agricultural machinery, light engineers, seed merchants and frommongers. Other group com-panies operate as finance or in-vestment holding companies.

year, and the dividend is 1.88355p tracted

and by rights and/or acquisition issues.

IT IS NOT expected that 1976 will factory." Increasing to a 39 per be easier for Clarke Chapman, or for industry generally, says the for in the year factory and pre-tax profit in the year to February 29, 1976.

Northants, decreased from £200,416 to £52,258 in the year to February 29, 1976.

Management accounts for the first two months of the current year are most encouraging and given that the forecast for an up-turn in world trade is correct, there is no reason why the company should not see a return of results obtained in 1974, the directors state.

Discussions have a return of the same levels of expenditure and authorisations will be broadly insigntant in 1974.

Discussions have opened which could lead to a major acquisition on assets is required if growth is stated earnings per 10p share to be sustained in real terms, Mr.

# **Prospects**

Optimism

at United

Carriers

WHILE FORECASTING remains difficult for United Carriers the current year is showing signs of encouragement, and the chairman. Mr. G. Millard, believes "we can look forward to continuing success."

The company has done well during a period of difficult times for the continuing success.

The company has done well during a period of difficult times for the continuing success.

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The company has done well during a period of difficult times for the continuing success.

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The company has done well during a period of difficult times for the continuing success.

The company has done well during a period of difficult times for the continuing success.

The company has done well during a period of difficult times for the continuing success.

The company has done well during a period of difficult times for the continual many flaguage the dividend per cent of the capital and Tanganyika Properties (Rhodesia) in the first quarter attributable in the pretimed to rise steeply. These intimed to rise steeply. These inthe fertor attribute to rise steeply. These inthe follows

clude the year with a profit, com-pared to an overall loss last year, while trends in the U.S. are also

while trends in the U.S. are also encouraging.

As reported on April 24, group turnover for 1973 rose from: £45.34m, to £54.64m, and pre-tax profits were £2.25m, against £3.39m, The dividend is a maximum permitted 4.428p net.

On a CCP basis, pre-tax profits are shown at £1.41m. and earnings before extraordinary items of £850,000 against £1.19m. historical. Net assets employed at the year end are adjusted to £28.27m. (£24.7m. historical).

The directors are satisfied that.

hearing in mind the facilities arranged with bankers, the group has adequate capital for its foreseeable needs in 1976.

Meeting, Connaught Rooms, W.C., June 11 at 11 a.m.

#### Guthrie progress in Canada

Mindustrial Corporation, the Canadian subsidiary of the Guthrie Corporation, reports first-quarter 1976 sales 66 per cent. up at \$C12.8m. Profits at \$C318.000 (loss \$C127,000), after tax and minorities, also continued the favouriable trend established in the second half of 1975.

Earnings per share are shown at 26 cents (15 cents deficit).

#### SAVE & PROSPER-EBOR MERGER

With the approval of the Desecurities from May 29.

Ebor became part of the

## Clarke Chapman Dividends shown pence per share net except where otherwise stated. \* Equivalent after allowing for scrip issue.

maintained in 1976.

Woodeson stresses. mitments stood at £1.21m. (£1.96m.) and £870,000 (£354,600) was authorised. At the end of 1975, capital com-

of the Australian company, 29.66m, and £368.000.

#### Charterhouse backing for Abbott's

Charterhouse Development, the was authorised.

As reported on April 29, pre-tax arm of the Charterhouse Group, profits for 1875 were up from has acquired a 15 per cent stake18.74m, to 17.52m, and turnover of in Abbott's Packaging. fishm, (6134m.) and the dividend. Abbott's, based in North is 4,4341p (4.0728p). Turnover of the South African subsidiary was of \$458,000 for the year ended in Merch 31 1973, on a turnover of the control of \$458,000 for the year ended in Merch 31 1973, on a turnover of the control of the year ended in Merch 31 1973, on a turnover of the year en f18.69m, and profit. £1.19m: and march 31, 1913, on a turnover or of the Australian company. E3.1m. Its main factory is in £9.66m, and £368.000.

The results reflect an improve a new depot was opened in 1973 mans in a year when costs con- in Haverhill, Suffolk, to distribute

## INTERIM STATEMENT

#### Interim Results Unaudited

Six Months to 30th September 1975

	to 30.9.75	to 30.9.74
Gross income	£ 629,629	£ 1.418,631
Group Loss before taxatio		(256,081)
Taxation Loss after taxation Extraordinary items	(644,095) (939,067)	(256,081)
Loss after taxation and extraordinary items	(1,583,162)	(256,081)
Amount attributable to Outside Shareholders	84.859	9,562
Loss attributable to stockholders	(£1.498,303)	(£246.519)
Loss per'Ordinary Stock U excluding amounts attribu to extraordinary items	Init stable (1.18p)	(0.47p)
10 0.1-0.1-1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.		

The fall in gross income reflects the sale of a number of completed investment properties, particularly those in France, and the reduction in interest receivable following the utilisation of deposits with

sale of certain investment properties during the pened under review and a provision of £483,400 against losses arising from subsequent realisations.

No interim dividend will be paid (1975 Nil). The group continues to have the support of its bankers and is

Raglan Property Trust Limited 178-9 Piccadilly, London W1V 0QP. Telephone: 01-499-2212.

All of these Securities base been sold. This announcement appears as a matter of record only

\$250,000,000

Sohio Pipe Line Company

84% Guaranteed Debentures Due 2001

Payment of principal, premium, if any, and interest unconditionally guaranteed by

The Standard Oil Company

Interest payable May 1 and November 1

MORGAN STANLEY & CO.

THE FIRST BOSTON CORPORATION MERRILL LYNCH, PIERCE, FENNER & SMITH

SALOMON BROTHER

BACHE HALSET STUART INC. BLYTH EASTMAN DILLON & CO. DILLON, READ & CO.INC DREXEL BURNHAM & CO. .

Hornblower & Weeks-Hemphill, Notes

E.F. HUTTON & COMPANY INC. KIDDER, PEABODY & CO.

KUHN, LORB & CO LEHMAN BROTHERS

PAINE, WEBBER, JACKSON & CURTIS SMITH BARNEY, HARRIS UPHAM & CO.

LAZARD FRERES & CO.

WERTHEIM & CO. INC.

WHITE.WELD & CO.

Nay IS. 1976.

PO Box No. 81, 84/94 Queen Victoria Street. London EC4P 4LX. Tel: 01-248 9696

LONDON: West End, South Kensington, SCOTLAND: Edinburgh, Glasgow. EUROPARINERS:

Banco di Roma, Banco Hispano Americano, Commerzbank, Crédit Lyonnais.

I ISSUES

EQUI

GOLDHAN, SACHS & GO

LOEB, RHOADES & CO.

WARBURG PARIBAS BECKER INC.

DEAN WITTER & CO.

# Pending dividends

For the convenience of readers the dates when some of the ore important company dividend statements may be expected in a next few weeks are given in the following table. The dates fown are those of last year's announcements, except where the rikoming Board meetings (indicated thus') have been officially ablished. It should be emphasised that the dividends to be clared will not necessarily be at the amounts or rates per cent, sown in the column headed "Announcement last year." Preliminary offit figures usually accompany final dividend announcements. off figures usually accompany final dividend announcements.

D	Lie.	Аплопоса- птелі Ізга	·	Annunce-
		Tear	Date	ment last year
krosd and	_	• •	HentysJune 28	7me : 12 5°
Smiths 3	<b>Tay 17</b>	Tht. 18.5'.	Hickson and	2112 24-0.0
uglo-American Group J	1174	44	Welch June 4	Jn:, 9.2%
anio-Transvaal		dividenda	Rell Samuel June 18	Final 15.47.
Grosp .J	une	dividenda	International	THAN I S ST
(parjasos			Combustion May 21 International	P DEL S
. Latham J	nde 13	I had 7.6	PaintMar 29	Final 8.5%
, mikase Shanks Ji	10mm 2.1	Diant tur	Jo'burg Cons.	
ranc Blittep	CONT. II	Final 12",	GroupJune	dividends
. FoodsJ⊓	mie 9	Sec. int. 3LS:	Johnson	Time! 8%.
asociated	·		MattheyJune 16 K Shoes	Int. 4.7%
Engineering 3		int. 6.1*;	Land Securities. June 17	Final 7.6%
aker Perkins)	347 P	Final 5.4:	Lioya (F. H.)June 18	Figs. 14.79
ess Chartingtonh	1av 27	Int. 5.37.	London and Northern Grp. June 18	
eaches	12y 20	Final 15.4%	Lyons (J.)June 18	Pinal 8.4%
arterneri .			_ 1 9 1 1 LEOD -	
erry Wiggins	JDC 19	int. 15.4	(William) .May 15	Final 6.7%
OC Bird1	Uhe 12	Final 7.5° Int. 5.6°	Manbre and	Tes 47%
000	142 20	Final 17.6% &	Garton Apr. 23	
irish & Contwilli.			7 C OF UT 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	TITL' SYLES
Shipping	Me 19	Final 12.6' Int. 7.7'.	"317(31 KOX 1934 Q	Final 9%
rockbae. (J.)	147 28		Morgan	Final 3.5%
ster RyderJ	INA TO	Final 17°; Final 15,6°;	NorcrosJune 16	Final 12-17.
Prilities		Lmd1 19/9."	Northern Foods May 27	Int 6.1%
GerdnerJi		Final 11,7%	Perier-	
patter Cons	inc 4	Final 24.4	Hattersley. June 12	Final 20%
harterhouse Group .M	The 10	Int. 3.45.	Pikington Bros. June 13 Plantation	Limit c. v
hieride Ji	une 10	Final 15.3	Moldinas Maria	Final 13.2%
calite and			POPULE May 19	Final 21.5%
Chemical .3	ay 20	Final 4.5	בימענו המונוסה זומה 18	Final 13.1%. Final 25.5%
pats Patons3	167. 50	Final due	Press (Wm.) May 29 Rand Mines	5 1179T 20-4 'P
. 605î≀	the 10	Final 10,:	GroupJune	dividenda
2000 July 1	lac 16	Int 6.16.	Rand Scientian, June &	lat. 64%
outrauldsX	Lay 27	Final 23.1°;	*Ransome	Int. 7.3%
евепиализ	192. 12	Final 16.1%	HoffmanMay 18 "Readicut IntrilMay 19	Final 22.3°
e La RueJu	ine s	Final 28.2"; Final 11.6";	Reed Intol May 23	Final 7.9%
			Reed IntolMay 23 Samuel (H.)May 19	2nd int. 30.2%
clec. Rentals Ju regish Chica	Mr. 12	Final II.se.	SKEICHIESJEDA 17	Liuri 19-4 P
ClaysJu	the 19	ihi. 5.4%	Staffex Iothi May 23 Swan Hunter Apr. 28	Final 41°
ver Ready M	as :1	Final 14.3	TescoJune 18	Final 21%
3003026		****** *** **	Tobacco Securitica	S
Telegraph : N tulay (Jas.:Ju	ney 29	Final 18.4°, 2nd ent. 8°,		Dat. 16.1%
rench KierM	ay 17	Final 8.3	Tralaigar	Int. 10.5%
minese mining	17 13	Fifial 3.6	Tunnel Bidgs June 12	Final 17.4";
eneral Mining			UBM June 12 UDSMay 15	Final 15%
GroupJu	ide.	dividends	UDSMay 15	Gialgengs
GroupJu	lite .	dividends	Union CorpnJune 18	Int. 7.5%
rand			Ward (Thos. W.) June 18. Warren Tea June 18	Final 5.7%
Metropolitan	ine 13	int. 4.3'.,	Wedgwood May 23	Final 13.9%
ethete Come I		Int. 12.1%	Woodhead	
athrie Corpuiu	inc 12 Me 12	Final dur Final 33.2%	(Jenas)June 13 "Whithread	Light HTM
lardy and Co.			InvestMay 20	Phul H.4%
(Furnishers)M	ay 20	Final 10.2.	<del>-</del>	
'arrisons and		P - 1 1F	"Foard meetings intim	ated.   Righ
Crosseld . Ju		Final 18.5%	issue since made. 2 Tax	
.ays Wharf21	ey ::2	Int.1.9%	issue since made from re	DEL FER.

## Local Authority Investments

CAL AUTHORITY loan rates confident early last week and the cre slightly firmer in the shorter Financial Times Government schools last week. Deposists with Securities Index touched 63.71 on Tuesday, but finished the week at 63.39, compared with 63.07 on the previous Friday.

One-year local authority bonds were placed during the week at par with a coupon of 101 per cent. The gilt-edged market was more than the previous week's batch.

* Rate (%) May 14, 1978		
days' notice (deposit receipt)	9i —10	
days' notice (deposit receipt)	10	
days' notice after one month (deposit receipt)		
days' notice after three months (deposit receipt)	9iž—10	
7 days' notice after six months (deposit receipt)	10 -101	
lorigage at one month's mutual notice after 11 months		
fortgage at one month's lender notice after 11 months		
nominal term 2-5 years		
2 years' mortgage		
3 years' mortgage	12:124+	
4 years' mortgage	122 124	
3 years' mortgage		
6-10 years' mortgage		•
1.30 viert morteage		

 Rates are for sums not less than £20,000 and are subject to local aristion and fluctuation. † Nominal. ‡ Shorter periods may attract igher rates than longer. n.a. Not available.

## **Public Works Loan Board rates**

Effective from May 15, 1976 Non-queta leans\* Repaid Repaid Instalments maturity instalments maturity Year p to 5 ...... ver 5, up to 19 13 13} 131 13} 133 ver 10, up to 15 117 rer 15, up to 25 14 141 134 137 \* Non-quota loans B are I per cent. higher in each case than

#### RECENT ISSUES

on-quota lonos A.

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#### **FIXED INTEREST STOCKS**

Anathar Fast of Lates Fronts	High Low	Stock	Closing Price E	+
### F.P. 13-6 ### F.P. 12-6 ### F.P. 12-6 ### F.P. 12-6 ### F.P. 14-5 #### F.P. 14-5	118 991 10014 991 10014 9614 9914 \$5014 101 100 1001: 101	Parriago Pt. Intl. 9-3 Cop. Notes 1955.  Pouring C.T.: In C. cont. 1937.  Chiater Water St. Red. Pref. 1931.  Sant Weres. Water St. Red. Pref. 1931.  Licrois Kuroknance Goat. Pitting Nit 1935.  Soyal Bank of coopland Floating Rate 1923.  Sandrik 9-12 Bonds 1955.  Sandrik 9-12 Bonds 1955.  Sandrik 9-12 Bonds 1955.  Sand Met. 92 Cont. Wife.  Sangon littl. Water St. Pri. 1981.	991 <sub>2</sub> 9971 <sub>2</sub> 9971 <sub>2</sub> 9934 100 66	-1

#### "RIGHTS" OFFERS

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7. 7 8 5	5.7 F.P N:1 F.P F.F.		20 7 9 6 19.5	18 16 711: 64 26 12 116 105 191 19	Lang Troducts.	91	—11 <sub>1</sub> +1 -4
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The same of the sa

#### INTERNATIONAL COMPANY NEWS

## Change in Jardine earnings

FINANCIAL TIMES REPORTER

JARDINE MATHESON is show owning companies in Liberia. This was particularly assisted ing very pronounced changes in four in New Zealand, one in the by the acquisition of 75 per cent, its earnings patterns and its Philippines, and 35 Rennies sub- of Zung Fu (transport equipownership of subsidiary com- sidiaries in South Africa and ment sales) and all the outstandpanies, according to the annual Rhodesia.

cent of earnings last year were including, among others, Air from Hong Kong, in contrast Express Travel; Central London with 16 per cent in 1974. But Inland Clearance Depot; East North American earnings Coast Agencies; Marham, ratio of current assets to current

**World Economic Indicators** 

RETAIL PRICE INDICES

180.4 151.3

gross margin which was heavily net sales to third parties rose

1970=100 the Board was sure that the com pany could look forward to the 11.8 1970=100 future with confidence.

## Jan. 76 181.2 **Exchanges**

129.1

March 75

139.0

153.5 169.8

March '76 167.5 182.4

Feb. '76 167.1

151.9

on wednesday and rriody the left producer that a shutule East firm (one. Its trade-weighted but horities bought a large number oil producer may have been the depreciation, as calculated by of Treasury bills to assist the source of the selling. Disappoint- Morgan Guaranty of New York, market. Large help was also ment in the U.K. trade figures for narrowed to 1.78 per cent, from given on Thursday when the Bank April caused a sharp decline on 1.96 per cent.

to 9.8531 per cent, and Bank of the following day. It fell to introduction of foreign currency Rngland Minimum Lending Rate was unchanged at 101 per cent.

Day-to-day credit was generally and the authoric executive had voted to support than in earlier weeks. The liraties gave an exceptionally large the pay dear between the Governdamount of assistance to the ment and the TUC helped push to lills. An unexpected shortage on Tuesday was relieved by moderate in a fairly thin market hit the purchases of Treasury bills, while pound on Thursday, and it was U.S. dollar ended the week on a on Wednesday and Friday the felt probable that a Middle East firm tone. Its trade-weighted by the producer may have been the depreciation, as calculated by

	May 14 1916	Certificates of deposits	Intertenk	Anthority deposits	negotiable bonds		Company	deposits deposits	Treasury : bills & .	Bana Bilis o	Fine train
1	Overvight		97g-101g				10%	915-10%	· -		
1	2 days actice. 17 deys or	-	_	978-10	<del>-</del>	: –		-	: - :	-	: -
1	i days notice.		10-101 <sub>8</sub>	10	; <u> </u>	· . —	_	974-101	· –		•
1	Una month	10.5-9-8	9:4-10-	9;}-10	103-934	. 10ig-10ie 10ie-11	_	94	9-2-9-4	50- <del>3-F</del>	1034-103
1	Two mouths Three mouths	10/6-943	9 101 <sub>4</sub> 9-4-101 <sub>4</sub>	9+3-10	1014-931		=	ء:9 وذ9	9-3-9-5	9.;.97 <sub>2</sub>	1034-101 1034-105
ł	air months	JQ1e 10	10 10,	10-101		1014-11	_	- <u>-</u> -		9,,,9,,	
Į	Vine months.	1012-1016 1012-1016	1019-1012	10%-10%	, 101e-10	103g-11 107g-11ag			_	- ,	_
1	And left	70.2-10%	10/8-10/8	11-4-117g				=	=	=	, =
İ	T Local at	chonsy and	Accepte hou	ses seren d	475' N <b>O</b> CICE,	others sere	a dast' fa	d. Leng	r.:erm loca	authorit	y morteng

deni.; and three-mouth 8032-97 per cent.; for one-mouth trade bills like per cent.; two-mouth 192-105 per cent.; and three-mouth 188-105 per cent. Finance Henre Rase Rases (published by the Finance Houses Association: 9 per cent. from Adril 1, 1876. Clearing Rash Bill Average tender rate of discount 9.851 per cent.

## EURO-CURRENCY INTEREST RATEST

lsy 14 1976	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guider	W. German Mark	irane
hort term	512-874	454 Big	. B-S	4-414	5-524	5g."g
data nother:			, 215-315	444	ō-ō:e	58.72
30th	105g-111 <sub>8</sub>		\$14.512	8.4-3.7	2 - 2 -	1-4-156
rèo months.	11:4-1112		5.5	5 <sub>7</sub> «-3 <sub>6</sub>		1-4-1-2
<u></u>	11, -11.2	63g-71g	912-9-4	444	J = 4	2: -2.4
F 70st	12-,123	63g-76g	915-97	47g. <b>5</b> 1g	4-24-4	2.

me-month \$1.91 per cent.; three-month 91-10; per cent.; six-month 191-10; per ce one-month \$1-92 per cent.

Lineer-term Edrodullar deposits: two years 75-72 per cent.: ain-month 195-105 per cent.

Lineer-term Edrodullar deposits: two years 75-75 per cent.: four years 85-52 per cent.: five years 85-55 per cent.

The following toutinal rates were quoted for Lundon dollar certificates on deposite years 55-52 per cent.: three months 55-53 per cent.: six months 61-52 per cent. and years 770 per cent.

"Rates are nominal chains rates.

"Short-term rates are call for strikes. U.S. dollars and Canadian dollar topolary; notice for guiders and Swiss france.

#### EXCHANGE CROSS-RATES

May 14	Frankfurt	New York	Parts	: Brussela	London	A sterdam	Zorte
Frankfult		2.560-561	64,42.48	6,645-646	4,660-667	34,32,35	102.75
N. Yark	78 00 To	_	2L25-27	2024 157	1.318 -219.	3E.E. 12	
Paris,	15.23-41	4.6897-6997 35.10-13	2.32.37	12.001-22	11.7.1	15.40-45	lafe?
London	4.647.624	1.8150-65	0.614-524	71,0-71,20	· <u>-</u>	4.921 253	4.551-5
Am'rd'm	106,075-125	2.7117-4Z	67.74-79	6.834:-50	4.32	<del>=</del> :	lie et
Zurich	97.61-73	£4987-5002	03.20-0	C.363-59-	4,000-240	92.01-17	
					-		

U.S. \$ in Montreal. U.S. \$ = 80.04.05 Canadian cents. ian \$ in New York. C\$=102.04.05 U.S. conts. U.S. \$ in Milan \$50.0-\$51.0 Sterling in Milan 1547.5-1549.5.

other k		
7.22	Notes Re	
rgeo'ma'284.18-284.38	A POSSES INC.	78a M
12CO 12C-407-10-407-40	Argunium;	37.
dereita , 1.4675-1.4847	Austria.	7914 71
18.66-18.49	- Derkmort	41.0
ecce 85.745-87.881	. Dillai Ingaya	1 20 1
ng Kong 8.8800-8.9125	Theremore	11 6.11
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1.5429-1.5997	Pottorsi	55-66
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made	WITE AND	4.60-4

## FOREIGN EXCHANGES

H	May 14	Benk		
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	72.75-72.95			

## **GOLD MARKET**

			_
		May 14	Nav 13
iss Du	Good Builtion.		
	a fine mince:		
.74	Ciase	512719-1281:	\$12712-12816
-78 -78	Opening	• 1271: - 1281a	\$127-4-1284
-15g	Merning ing.	S187.70 ``	\$127.50
-12		£69.7701	£69.520:
7.	Agerno ning	\$127.70	5127.70
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ent.	Concession;	#1201- 1201-	\$150:4-1324
er.	WARE LANGE TO THE PARTY OF THE	1713.724	127112-7814)
	New See : 28s	E451- 471-	545-47
per	Vention : Name	£25.26)	£2431.25311
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064:	012 201 . 325	£2414-251c)	£2414-25141
22.,	Geid Colus		701-4-ma-61
	letern any.		
lars.			
unis,	Argressol	\$1314.133L	3131-133

Krugersol ... \$1314-1354-\$151-133 ... \$724-781; \quad \text{v2715-}\_4\cdot 725; \quad \text{v2715-}\_4\cdot 725; \quad \text{v2715-}\_4\cdot 725; \quad \text{v2715-}\_2\cdot 725; \quad \text{v255-26}; \quad \text{v255-26}; \quad \text{v255-26}; \quad \text{v255-26}; \quad \text{v251-231}\_2\text{v

#### SPECIAL DRAWING RIGHTS RATES USE SDD IS .. MET 16

	-cottan (1)			
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_	Helming :rade	45.0086	•	44.877
	Dentsche mark	2.94037	1	2,9508
	French trace.	5,40075	•	5.3911
	Italian Lin	975.235	,	978.80
	Japanese yeu	343.791	•	343.96
	Duten guider	3.12098	ı	3.1104
	bweinb umme,	5.07318	•	5,0644
	MENS TRUC.	2,87254	٠	2.8617
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	SDR 21 calcal			
•	Monetary Find	to Washing		3.

May 13

#### FORWARD RATES

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7795 952	New York	0.85-0.75 c.tm.	242-237 C
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54: 2 from	Z 1. 1. 1)	4-3 e. pgs	11:2-1012 4
2362	SER-MORT	h forward U.S 2-mostb 8.43-5.5;	dollur 4.55-4. : pits.

MINING NOTEBOOK

## Northgate has money and is still travelling

BY LODESTAR

have been money spinners on dividends various occasions when written about in this column. It is thus Selection Trust

well-established infrastructure in reasonable stocks to act as a certain parts of Alaska particu-cushion when demand increases. larly in the south-east while a He considers that the cost of network of state roads which is financing them would be modest steadily expanding provides in relation to the profits that can be earned when business is brisk.

Uranium is naturally one of the In the meantime, as reported in Northgate targets there. So Mr. Friday's paper, a worldwide pro-Hughes is calling in the motion campaign is being emundoubted expertise of Mr. barked upon for the use of William Gilchrist who headed the platinum in jewellery.

Amstrain, none in Lesson, four ship service.

Substantial loss in 1975 for Volvo Car and the service in the service of the ser

Bank of England Minimum
Lending Rate 104 per cent.

(since April 23, 1976)

Short-term fixed period interest rates tended to increase on Friday and gained 1 cent against the pound after initial discount houses.

Sterling began the week firmly 1,8240 on the previous Friday. Its and gained 1 cent against the pound after initial discount over the April trade on Wednesday to close on that appointment over the April trade on Wednesday to close on the week interest rates were generally easier. At the weekly Treasury bill tender the average rate of the average rate of the size of the U.K. trade deficit move in a fairly wide range. but to 19,853 per cent, and Bank of the following day. It fell to introduction of foreign currency independent and corporation bills from the meak statistic the week at \$1,835 compared with \$1,8230 or the previous Friday. Its and gained 1 cent against the vade-weighted average depreciation, as calculated by the Bank of the pound after initial discount feel by 0.0550 per cent.

Thus at Friday's price of 380p facture of delicate glass fibre wide range. but the size of the U.K. trade deficit move in a fairly wide range. but the size of the U.K. trade deficit move in a fairly wide range. but the size of the U.K. trade deficit move in a fairly wide range. but the size of the U.K. trade deficit move in a fairly wide range. but the size of the following day. It fell to introduction of foreign currency the money to do so; but that it sell Potgietersrust, Waterval, ean well whittle it all away if Union Platinum and Bishopsgate

anies, according to the annual Rhodesia.

But Jardine sold off all or part engineering and construction).

The report shows that 49 per of 11 of its British subsidiaries ent. of earnings last year were including, among others, Air rom Hong Kong, in contrast Express Travel; Central London

The directors said that the group ince sheet remained to the Hughes luck does not hold Platinum must once against be engineering and construction).

The directors said that the group ince sheet remained to the Hughes luck does not hold Platinum must once against be engineering and construction).

The directors said that the group ince sheet remained to the Hughes luck does not hold Platinum must once against be expecially as it seems to be completely as it seems to be complet

standably frustrated desire not to stand back and wait patiently for Australian Government permis

New investments in the year amounted to Fis.104m., of which by far the largest part related to new investments for equipment of the production of the new Volvo 343 model which started this year. For the current year investments will concentrate on a new head office and a testing central the largest the started this preview to the report.

Mr. Per G. Gyllenhammar, of the commany's contrary to the commany's contrary to the common view, and political environment."

None of its main fargets is the admits that it is very expentit was on April 5 that I referred sive to carry large stockpiles in here to Laurence Prust's recommender to satisfy demand when it mendation of Botswana RST as a cocurs. On the other hand, treatment of the production is becoming increases order to satisfy demand when it mendation of Botswana RST as a cocurs. On the other hand, treatment of the production facilities both on surproduction facili Change on year and a testing centre at Helmond.

In his preview to the report,

base Mr. Per G. Gyllenhammar,

18.9 1974=100 chairman of the company's

9.8 1969=100 supervisory Board, writes that

4.4 1970=100 Volvo Car's good trading position

after integration in the Vo.vo

and a testing centre at Helmond.

Contrary to the common view, wide platinum stocks are low platinum stocks are low helieved to be imminent, hence he goes on, the operational and he is concerned that proposition of the common view, with the problems there are not markedly ducers will have difficulty in meeting the head of other ing demand if there should be a productive mining areas such as marked upturn in the world that realisation is as truction scheme. This is now struction scheme. This is now helieved to be imminent, hence for the goes on, the operational and he is concerned that proposition in the shares which took them up different from those of other ing demand if there should be a to 85p at one time. It must now productive mining areas such as marked upturn in the world that realisation is as thus that consumers should carry

#### Dental health week starts

NATIONAL DENTAL health action week hegins to-day, aimed at cutting Britain's £200m. a year dental bill.

More than 1,000 dentists will attend conferences on preventive dentistry in London Glasgow, Bristol, Leeds and Birmingham.

#### Insurance base RATES

Atlantic Assurance ... 101% Cannon Assurance ... 81%

This announcement appears as a matter of record only.



## US \$ 25,000.000 Revolving Credit

managed by

BANQUE DE L'UNION EUROPÉENNE

co-managed by

BANQUE ARABE ET INTERNATIONALE D'INVESTISSEMENT (B.A.I.I.) **BANQUE WORMS** 

> arranged by **GRUPO FINANCEIRO INTERCONTINENTAL**

KUWAIT INTERNATIONAL INVESTMENT CO. S.A.K.

GREYHOUND INTERNATIONAL FINANCIAL SERVICES LTD LONDO: V

agent bank BANQUE DE L'UNION EUROPÉENNE

#### INTERIM STATEMENTS



#### Redfearn National Glass Limited Manufacturers of glass containers

Extracts from the statement by the Chairman, Mr. Stanley Race, circulated with the interim figures for the 26 weeks ended 28th March, 1976.

- Pre-tax profits more than doubled to £1.23m.
- Sales up by nearly £3m to £15.05m. Costs continue to rise but wage stability is making significant contribution to
- reduction in rate of inflation, Improvement in trading expected to continue in the second half year.

INTERIM RESULTS (unaudited)		26 weeks ended 28th March, 1976	26 weeks ended 30th March, 1975
•	Sales	£15,046,000	£12,383,000
	Profit before taxation	£ 1,230,092	£ 512,092
	Taxation (estimated)	£ 644,000	€ 270,000
	Net profit	€ 586,092	£ 242,092
	Earnings per ordinary share	9.59p	4.06p
	Interim ordinary dividend	0.875p	0.875p
	Tax credit	0.471 p	0.471p
	Cost of dividend (net)	£ 53,106	€ 53.106

JOHANNESSURG"

CANADIAN WEEKLY

LIST

Liberta Gas Tk Litta A...

Corp Lid... Colam\_ Tele

## INTERNATIONAL COMPANY NEWS + EURO MARKETS

EUROBONDS

## DM sector firms

BY MARY CAMPSELL

WITH THE U.S. bond market indicated coupon 9½ per cent; continuing weaker and Euro-Can.\$20m. for five years for Roydollar interest rates markedly Nat via Wood Gundy, indicated up (one-year rates are above coupon 9½ per cent.; Can.\$20m. 7 per cent. for the first time for five years for Walter E. since early January), prices in Heller of Canada via Orion, inditible U.S. dollar sector of the cated coupon 9½ per cent.: and, Eurobond secondary market to be launched to-day, U.S.\$30m, were off perhaps half a point for six years for Gulf and Weslast week. Canadian dollars, term international via Kidder however, were firm while the Peabody, indicated coupon 9½ per D.-Mark sector-showed some signs cent. D-Mark sector showed some signs cent.

**Folumes** Worst hit last week was quite apart from any effect that Montreal Urban which was the occasion of Swiss Bank Cor-

NEW YORK -DOW JONES

Triding vot 10,800 | 16,730 | 18,510 | 25,580 | 22,760 | 17,810 |

STANDARD AND POORS

had div yield %

Long Govt. Bond yield

Ind. P/E Ratio

of recovery.

Any weakness in the secondary
market has not as yet fed issue for over a year, was
through to the primary market apparently overwhelmingly favm Europe. Although some issues
which were priced last week any which were priced last week saw been raised from \$50m. to \$75m which were priced last week saw seen last south south this de-this appears to have been velopment should be relied on attributable to special factors as guidance for the future is and new issues continued to clouded by the fact that the be announced in substantial three big swiss banks accounted for three of the four managers

Since compilati'n

154,54 3,52 (11/1/15) (30,632 120,24 4,40 (11/1/15) (1,6/32)

42:8 13:3 54:4 96:4 20:4 37 17 128:9 93:5 54:8

May 7 | April 30 | April 23 | Year ago (approx.)

Indices

May May May May May May 11 10 7 High Low High Low

992.60,1001.10 1005.67 1008.611007.48 395.22 1,011.02 \$58.71 1051.70 41.22 1051.70 41.

**/3.72 3.70 3.69** 

18.52 114.89 115.52 135.77 115.97 114.56 118.57 101.64 (34.5) (27.1) 181.54 102.18 102.77 782.95 105.19 101.88 102.57 80.93 (5.4) (2.1)

5.79

May May May May May May 14 13 12 11 10 7 High Low High Low

## More optimism at Linde

BY GUY HAWTIN

FRANKFURT, May 16.

LINDE, the Wiesbaden based ably larger than at the end of engineering, plant construction March last year. Turnoyer in the Board and cold store group, is fore-first quarter of the year, at Casting a turnover growth of DM305.7th, was 19.1 per cent. up 10. per cent. for the current on the same period of the pre-business year. This compares vious year, while the "positive with 1975's sales increase of 6.9 trend" in orders has been main-commercial England during the first country of Commercial Union. per cent.

tained during the first couple of The group's annual meeting months of the current quarter.

was told that the inflow of Currently. Linde seems a good orders in the first quarter of the deal more optimistic about the year totalled DM345m, (£742m.)

1976 business year than it did

year totalled Diagram, (2722111.) 1970 business year than it diagrams along same period of 1975. This was April 1, the executive Board a creditable performance considering that domestic orders optimism of the Federal Governslid back by DM25m, to DM108m, ment and the leading West 623.2m.). German economic research Overall Linde's order book at institutes, the concern had yet the end of March was measur- to feel the economic upturn.

## Higher profits for Brown Boveri

BY JOHN WICKS

N.Y. S.E. ALL COMMON.

MONTREAL

May May May May High Low

54.01 54.45 54.74 54.84 55.28 57.86 (5/4/76) (2/1/5)

May Pre 1376 11976

Australia (a) 467.41 468.04 472.91 440.52

Australia (a) 467.41 468.04 472.91 440.52 (12.6) (1

Denmark tol. (c)	104.84	107.79	100.20	
France te 66.4	65.5	74.5	65.4	
Germany(\*)	749.0	748.9	821.7	746.9
Holland (g: 96.9	96.8	105.5	86.4	
Hongkong(\$\delta\$ 403.51	410.29	485.53	354.56	
Italiv (: - 78.17	91.57	732.20		
Japan's (se: 541.70	542.52	544.51	325.25	
Singapore (s. 26.45	227.90	236.16	236.35	
(36.1)	(36.15	236.35	236.35	
(36.15	236.35	236.35		
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Zurich, May 16.

GROSS PROFITS of the Swiss tered share and participation based heavy enginering concern certificate.

Montreal Urban which was the occasion of Swiss Bank Corquoted on Friday at 97% after poration's first lead managership a 99% per cent. pricing. Allonated per cent. Quebec has launched a DM100m eight Urban's Can.Si5m. seven year 8 per cent. issue via a better reception: it was priced at 98% on a 9% per cent. coupon, placement for a Japanese combut was quoted at 97% on a 9% per cent. coupon, placement for a Japanese combut was quoted at 97% on pany under Dai-Ichi Kangyo Friday.

New issues announced last for the City of Kobe.

New issues announced last for the City of Kobe.

Next Swiss frame issue will be seven years for General Motors Sw.Frs.100m, for Nippon Steel Acceptance of Canada via Moroffering 6% per cent. at par on gan Stanley International, the usual 15 year maturity.

based heavy enginering concern reached Turnover last year was of Sw.Fr.179.9m. (£39.56m.) last Sw.Fr.1.45bn. in 1974.

The annual general meeting, the belief on June 10, will be asked to approve an increase in share capital from Sw.Fr.336.7m. provisions and depreciation on investments to Sw.Fr.338.4m. The new stock of Sw.Fr.50.6m. and tax pay will be offered to existing stockments of Sw.Fr.24.5m. net profits holders on a ratio of 1:10. with amounted to Sw.Fr.35.1m. from a premium of 50 per cent. the which the board recommends new shares and participation certificate.

Sw.Fr.179.9m. (£39.56m.) last Sw.Fr.1.75bn. a compared with Sw.Fr.1.75bn. a compared with Sw.Fr.1.75bn. a compared with Sw.Fr.1.75bn. a compared with Sw.Fr.1.75bn. provisions and depreciation on investments to Sw.Fr.338.4m. The new stock of Sw.Fr.50.6m. and tax pay will be offered to existing stocking the provisions and depreciation on investments to Sw.Fr.338.4m. The new stock of Sw.Fr.50.6m. and tax pay will

Rises and Falls May 14

Spain (p) 96.78 98.17 100.78 : 85.45

Switz'r'd (\* 582.5 | 283.8 | 286.6 | 281.6 | (12.3) | (4.5)

bonds. \*45 Industrials. † 425 Inis., 50 Utilities and 55 Rails. (c) Closed.

High | Low

Cp-841

New Lows- 57

Low

mas Traded--1838

High

Down—997

May 12 May 11

TORONTO Industrial 195.98 [196.89 186.51 [194.77 | 197.44 (20/2) ] 175.81

JOHANNERBURG Gold 1200.9 203.8 285.8 287.8 226.7 (12/5) 174.4 Industrials 211.8 212.5 212.1 212.8 212.8 (10/6) 188.5

New Right -- 21

Petrofina profits

said. In the present uncertain

situation, he said, care remains essential, but this is not preventing the group from continuing to develop essential projects and from actively pursuing new pro jects.

indices and base dates (all base values 100 except NYSE All Commonsil, and Standards and Poors 101: 23 Sydney All Ord. (b) Belgian 55 31/12/61. (d) Cogenhagen SE 1/12/12 a normal level of profits. In the 55 31/12/61. (d) Cogenhagen SE 1/12/12 a normal level of profits. In the December. 1959. (g) Amsterdam in dustrial 1970. (h) Hans Sems Bank on the group's own resources, 1970. (k) Milan 2/1/73. (m) Tokyo New SE 4/1/68. (n) Straits Times 1965. (p) Madrid SE 31/12/74. (d) Suckholm Industrials 1/1/58. (e) Swiss Bank Commonsilis 1/1/58. (f) Swiss Bank Commonsilis 1/1/58. (h) Unavailable. Excluding bonds, \*45 Industrials. †455 Inds. 50 Utilities and S Eris. (c) Closed.

Investment premium based on \$2.60 per £—122}% (123}%).

High

#### TEL AVIV STOCK EXCHANGE May 16 on the Investment Companies Bank Leumi Invest 261 204 225 132 +2.5 +9.0 CLAL' land Invest Br. CLAL' landstries +9.0 mercial and dustrial liance Tire & Rubber 500 299 948 157 481 Elco Br. 214 +4.0 -3.5

Fuel and Oil Delek

**AUSTRALIAN WEEKLY LIST** 

## Industrials Boyle Co.

BRUSSELS. May 16.

CONSOLIDATED results of the flaw Far. Susp flux for petrofina are lackage ahead of those for the same period last year despite losses on the distribution side. Jacques Meeus, chairman of Petrofina, least Box. Lean.sus told the annual meeting. "Prospects are good and we view the future with confidence," he said.

Straite Steem Straite Times (1975) Ltd. التبد Bid. † Buyer. 1 Seffer.

I.G. INDEX-01-351 3466 GOLD 126j-129j GERMANY + Prices + or Div. Ykt.

Wanz Verwich.

## SINGAPORE STOCKS May 16 Stratus Tractor

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## Citroen shows net profits

May 14 May 7 PARIS, May 16. THE CITROEN holding edipany has announced net 19 profits of Frs. 29.1m (le 12½ 128½ 13½ 13½ 221½ 17¼ 486 140 215a 13.70 4.20 Unq. 29¼ Fra 381m.).
Automobiles Citroen made net loss of Frs.304m. (lo Frs.998m.)

## Sandoz better this year

By John Wicks ZURICH, May 16. A RECOVERY on various forels markets has led to an impro-ment of turnover and high use of installed capacities of the

721 70.08 511<sub>9</sub> 211<sub>2</sub> Uoq. 161<sub>9</sub> 345<sub>1</sub> 75.00 71<sub>8</sub> 1.64 181<sub>4</sub> (25 Labari John
Labrador Mining...
Nat. Drug & Chem
N. Camadian Oils...
Oakwood Pet......
Pan Ocean Oil..... Redpath...... Steinberg 'A'.... Teok Corp Ltd... Traders Urp. "A Sandoz Chemical and Pharm ceuticals concern this year, dire tor Dr. Marc Moret told ti annual general meeting of parer company Sandoz in Basle. Festern Decalta Pel... f Bid. a Asked AMSTERDAM Price + or Div. Tkt.

## **OVERSEAS SHARE INFORMATION**

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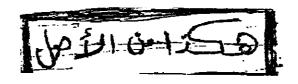
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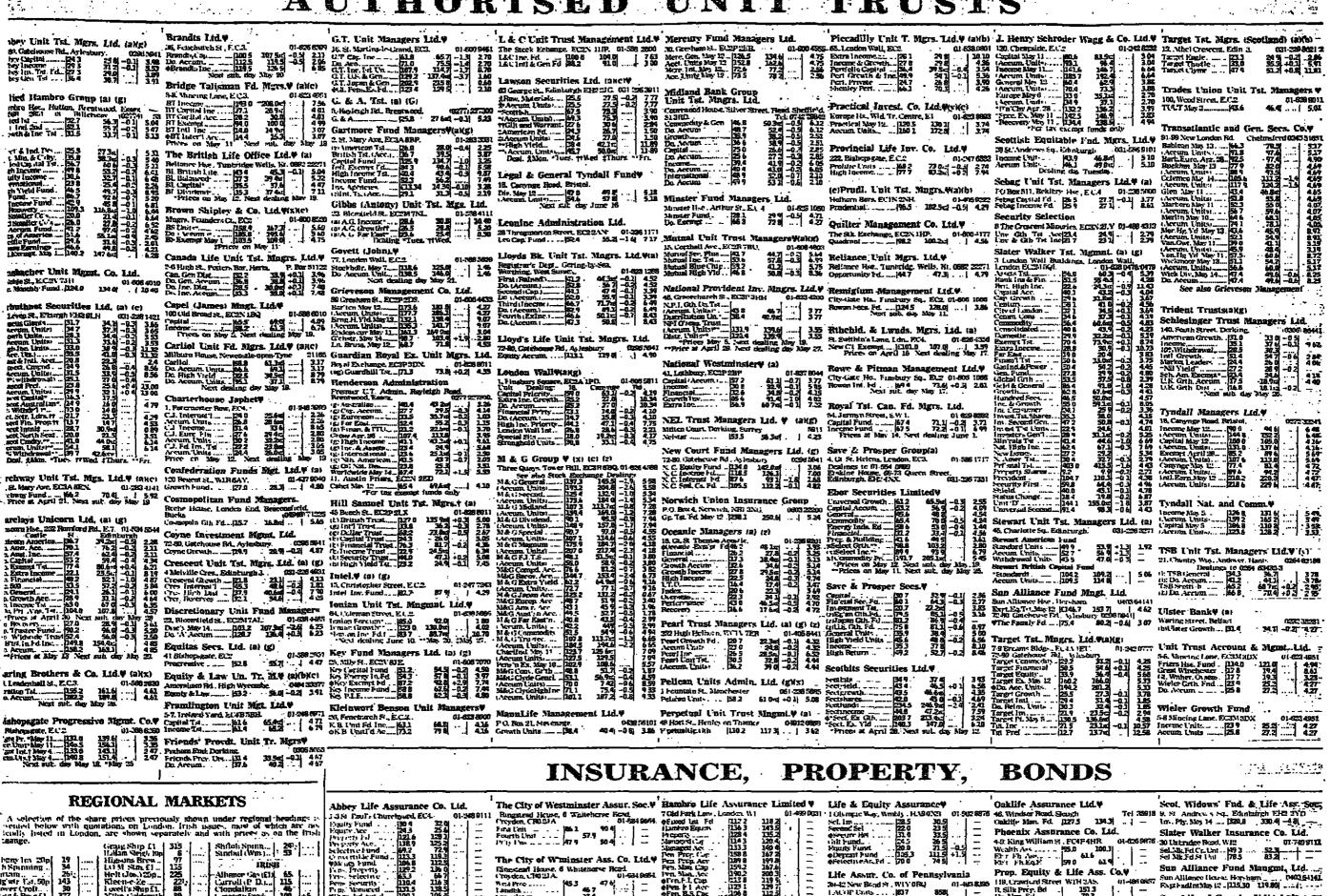
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20 4.1 Feeinag 176 | 1.5 | 7.6 | 3.4 | Housing Fish | 110.5 | 2.5 | 4.5 | 4.1 | Housing Fish | 120.1 | 300.5 | -0.5 | 16.76 | 7.8 | Pate Douglas Fish | 247 | -2 | 15.5 | 1.4 | L.E.C. Holland | 1.5 | 1.5 | 4.0 | L.L.M. (Fr. 100 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1. 20 2.4 20 4.1 5 2.0 1 18 3.3 He. 6 4.0 Kho.

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May 14
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## AUTHORISED UNIT TRUSTS



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李勒克克

#### FINANCIAL TIMES STOCK INDICES

May May May May May treet

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interpret Secs	63.39	63.45	65.62	o5.71	63.43	63,07	57.59
used Internal	65.34	65.55	63,40,	65.1 <del>8</del>	62.91	62.54	57.14
mingral Connecty	407.2	408.5	412.9	417.3	415.5	415.2	535.5
ioni M.mes		182.8		192,0		184.0	399.4
Jed. Dry York	_	5.17	5.11	5.07	5.05	5.09	6 16
arningal highilling	15.04	15 01	14.82	14.71	14.84	14,85	18.08
E Rarro metrorios.	9.86	9.89	10.01	10.05	10 00	9 50	7.78
waings nor bed	5.238	5.700	5.805	5,270	4,922	4,693	7,547
Sporty tuenouses Live .		50.96	60.61	47.99	44.B2	5t 78	103 66
quite bargains total.		13,974	15.098	12.169	15.295	13.182	21 148
!o a no 467	· p	anı 40. m 40.	3 p m		1 p m	4 <b>1</b> 1 3.	

(a) Based on 30 her cent, correction tax, (b) 501-980, Bases fed Layer, Sees, 12-16-26. Pixed and 1988, Ind., Und. U. S., Guid-Later, I. 4 (c) Sh. Activity July-Dec. 1842.

HI	GHS	AND	LOW:	S	S.E. ACTIVITY					
		**************************************	Smerke	anglation		Year.	May			
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or Neces	50.21 21.21	60.19	127.4	49.16	Harty - trot Engine Industrate	169 0 166.9	148.1 201.4			
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old Matter.	246 9	140.1	442.5	45.5 Drive els	Specialists e Lotais	58.2 122 6	57.1 120.1			

#### **FT—ACTUARIES INDICES**

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destrai troup	160.84	160 80	165.16	164.32	163.55	165.68	132.32
u bharte	179.06	178.73	180.99	182.09	191.63	191.96	143.87
1. Yielu te	5.45	5,44	5.10	5.26	ь 38	5,27	b. 12
Il Parsonnet.	10.78	10 70	10.85	10 91	13.87	10.92	7 05
Impegras	167 54	167.31	169 59	170 60	170 48	170.75	143 45
men w Yorkill pe	15.62	11.62	16 52	13 92	15.60	15.59	151.18

#### BASE LENDING RATES

	■ H:H Samuel 7 9 %
American Express Bank 91%	C Boare & Co > 9 %
Angio-Portuguese Bank 91%.	Julian S. Hodge 101%
Henry Anshacher 10 %	Hongkong & Shanghai 9 %
Banco de Bilbao 93%	Industrial Bank of Scot. 91%
Bagen de Jerez 10 <sup>10</sup> a	Keyser Ullmann 10 %
Bank of Cyprus 10 %	knowstey & Co. Ltd 1110
Done - Replace 10 by	Lloyds Bank 9190
Bank of N.S.W 919,	landon & European . II %
Eanque du Rhane S A. 10 %	
Burelays Bank 91%	[34.10.01.1]
Barnett, Christic Ltd. 10 %	and the state of t
Bremar Holdings Ltd. 10 %	- Same :
Beit, Bank of Mid. East 9:55	■ Marcan Greatin
	National Westminster 9:06
Brown Shipley 94%	Northern Comm. Trust 10 %
Canada Permanent AFI 91%	Norwich General Trust 10 %
Cover, Bowster Co. Ltd. 10 %	Portman Guaranty 94%
Cedar Haidings 10 %	7
	P. S. Reison & Co 91%
Charterhouse Japhet 10 %	Rossminster Acceptics. 92%
C. E. Coates 101%	Schlesinger Limited 1015
Consolidated Credits 11 %	E. S. Schwab 11 %
Co-aperative Bank 93%	Security Trust Co. Ltd. 11 %
Corinthian Securities 91%	Shepley Trust 1110
Credit I yonnais 914.	Standard Chartered 91%
G. B. Dawes 10:05	Trade Development Bk. 9:05
Duboff Brothers 11 %	Twentieth Century Bk 114%
Duncan Lawrie 93%	United Bank of Kuwait 95%
Freish Transcont 11 %	Whiteaway Lardlaw 10 %
Lest London Secs 95 %	Williams & Glyn's 9'5
· · ·	
Antuny Gibbs 95%	Vorkshife Bank 94%
Comple Durrant Trust 10 %	t ambilites.
Greyhound Guaranty 95%	· Cary depress Will Smatth deposits
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# Hearts of Oak Benefit Society

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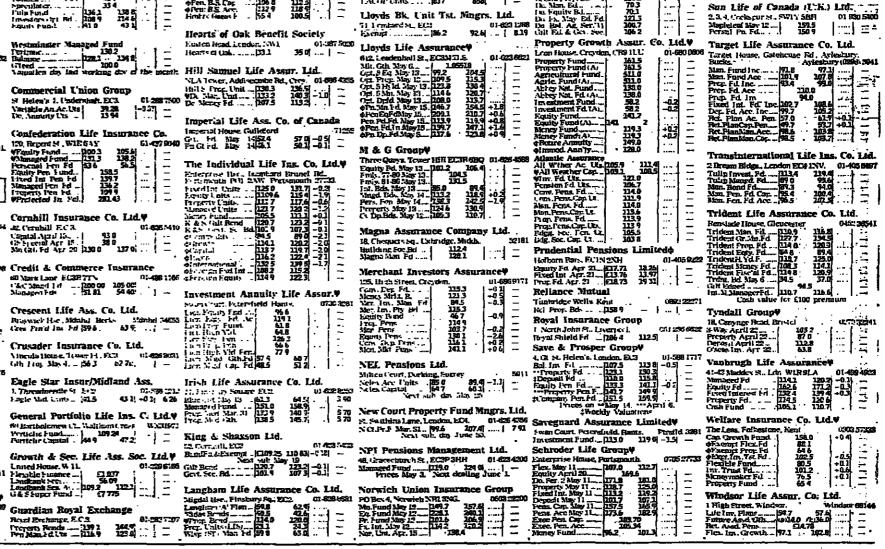
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**GROUP LTD** 



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	1975 £000s ;	1974 £'000s
Investment Properties Turnover	20,813 26,486	11,104 24,392
Trading Profit Interest and Central Management	[,883 (1,209)	1,973 (1,331)
Profit before Tax Profit after Tax	674 314	642 332
Dividends per share	2.336p 3.19p	2.15p 3.37p

Rents to rise 20% in 1976.

Earnings per share

Contracting turnover secured for 1976 already substantially in excess of that for 1975 in real terms. Copies of the Report and Accounts are available from The Secretary, Rush & Tompkins Group Limited, Marlowe House, Station Road, Sidcup, Kent.

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IN DEED IT IS

## THE MILL ON THE MEUSE' Verdun, 1916

by Charles R. Fisher

From February until December in the First World War, Verdun was the scene of the longest and heaviest series of battles.

An article in the MAY issue

Now on sale 40p, or by subscription £5.50 per annum, from: The Manager, Bracken House, Cannon Street, London, EC4P 4BY.

## COMPANY NEWS

## Order improvement at Sanderson Kayser

IN THE EARLY months of 1976, Sanderson Kayser has experi-enced a slight but encouraging improvement in order intake The following companies have notififrom home customers, mainly in the steel stockholding and wire sections of the business, says the chairman, Mr. N. C. Macdiarmid.
Improved activity in the machine tool industry may indi-

cate that demand is now off the bottom. But orders for finished products are still thin.

of a wide range of consumer durables which in turn, would stimulate demand for steel, the Hanson Trust chairman points out Mr. Macdiarmid is deferring Stockholders laves

further comments on current year
prospects until the AGM when
the results of the first four
Couraulds
Elswick-Roppe months' trading will be known. to meet its foreseen requirements, including the possibility of business acquisitions, the chairman

Expenditure on new plant and equipment during the past year amounted to £216,000 in the U.K. and a further £27,000 was spent by the overseas subsidiaries. The directors have "great confidence" in the company's future and believe that investment in plant and equipment in a time of reces-sion is sound policy in order to

the economy improves.

Accordingly, they have contracted for capital commitments in the U.K. this year of approximately £150,000 and have authorised further expenditure on capital items of £135,000.

As known, group pre-tax profit for 1975 was £739,782 (£916,565)
and the dividend is 3.58p net (same) per 25p share. Direct expenditure of ports from the U.K., including £1.68m.; transportation services As known, group pre-tax profit for 1975 was £739,782 (£916,565) and the dividend is 3.589, net of street exproducts, £171.5m. and ports from the U.K., including fl.68m.; transportation services, increased by 58 per cent. to a travel, insurance and investments, increased by 58 per cent. to a dividend to 37 per cent. of group able, £1.32m.; central administration, £1.32m.; central c

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-divisious shown below are based mainly on last year's timetable.

TO-DAY -Aktroyd and Smither products are still thin.

The halving of the higher rate Radio, French Rier. Leanon Bros. Meeting 51, Aldwych, W.C., on for only 600 words.

Of a wide range of consumer dur-FUTURE DATES

ent Agency and Music ... May 18
rs investment Trust ... May 18

#### Price & Pierce down to £1.53m.

In line with expectations, preand equipment in a time of recession is sound policy in order to speed the rate of recovery when the economy improves.

Accordingly, they have con-

50.7m. (53.2m.) earnings per fl share—22.2p historic—at loss 6p (earnings 45p) and net tangible assets per share at 250p (280p) —181p historic.

opinion that profit before tax of £232,000 and net assets of £496,000 in respect of fellow subsidiaries should not be included in

The auditors

## West Bromwich Spring earns and pays more

Pre-tax profit of West Bromwich Spring increased from £353,325 to \$412,177: in 1975, after £245,000, against £197,000 for the first half.
Turnover for the year advanced from £2.654,531 to £2.368,237. Stated earnings per 10p share were up from 4.23p to 4.95p, and the dividend is raised from 0.9135p to 0.9971p net, with a final of 0.7562p. Net profit was £198,177 (£169,325) after tax of £214,000

There is an extraordinary item of £82,532 which does not affect the year's profits, it is stated.

## Scottish

Asset value per share at April 30
Adjusted for inflation on a is shown at 54.3p compared with
CPP basis profits are shown at 49.5p at March 31, 1975.

#### **APPOINTMENTS**

## Distillers Co. group changes

appointed managing director of ing Mr. Robert Potel, who has ber for finance was anni White Horse Distillers from June resigned from the Board. Mr. recently. PANY subsidiary, from that date. Mr. Connell has been senior export director and area manager for White Horse Distillers for several years. He joined the company in 1951 and was appointed to the Board in 1968.

Mr. David Connell has been SCULL ENGINEERING, succeed the National Coal Board as mem

Mr. Donald Davison, managing director of the National Coal Board's opencast executive for the

NEWARTHILL.

Mr. J. P. Ryan has ceased to ! a member of JAMES CAPEL AND CO., stockbrokers, and is resign-

Mr. Fred Davis has been appointed secretary of the POST OFFICE STAFF SUPERANNUATION FUND in succession to Mr. F. J. L. Clark, who retired at the end of February. Mr. Davis

Co-operative wellings since 1968, as first director of the new CO-OPERATIVE HOUSING AGENCY. Mr. Hands takes up the post from October 1

Mr. J. H. Walker has been appointed an executive director of HEUGA U.K. Mr. Walker is the company's financial controller.

Mr. Ronald Beston has been appointed a director E. B. BRADSHAW AND SONS.

dising director of RIMMEL IN-TERNATIONAL

sion to Mr. B. R. Scholes, who has retired after four years in office to become a vice president of the Association.

the annual meeting, Mr. Kenneth Millichap was elected chairman of Council in succession to Mr. Nigel Mobbs, who was elected a vicepresident. Mr. Millichap's succes sor as deputy chairman of the Council is Mr. Stanley Speight.

Mr. W. V. Golding has been reappointed chairman of the TRANSPORT USERS' CONSULTATIVE COMMITTEE FOR THE NORTH EAST until March 31,

Mr. Raymond Young has been appointed regional manager, BACLAYS CANADA Vancouver, British Columbia. He was previously a local director, Barclays Bank of Botswana, Barclays Bank International, Lesotho, and

appointed managing director of ALUSUISSE (U.K.) in succession to Mr. H. M. Hurst, who retires as acquisition a small to medium managing director of that com-compression or injection mould pany and of Star Aluminium Company on August 1. Mr. Fredjohn, who has been a director of Arbuthnot Latham Holdings since 1973, will remain on the Board in a non-executive capacity,

THE JOBS COLUMN

## How managers can cope with stress at work

BY MICHAEL DIXON

topic to fill this column's the stresses heavier.

circumstances now required me equipped to withstand them. to write 950 words.

in the working situation.

Let it be clear right away abilities to cope with stress. that what I am making here is The past few years have seen an observation, not a complaint increasing research in this area, My own recently down-and-up notably by Dr. Beric Wright, invulnerability to stress has existence is merely a minor now of the BUPA medical which might be expected to problem by comparison with centre in London. But it seems

newspapers the only work which work as managers. continually imposes problems of conflict and uncertainty on Dilemma the people responsible for doing it.

difficult things done by other the practical situation?

thing like all of the people who qualifying—as a cost accountant become emotional and delibe are appointed to these jobs are with Imperial Tobacco, he then ately cooling it." This, he add able to cope with the stresses became a salesman with IBM may make the non-victims seen involved.

people for such posts is in set up an importing business, people, creasingly carried out by He did this well enough to "But if going around with

appointed is able to cope with on for a higher degree. the stresses entailed is becom- But being a highly practical the beach.

COMING AWAY for a short ing more and more a lottery at man, he is approaching the holiday, I brought with me the same time as the decline topic the other way roun. enough material on a particular of managerial authority makes Instead of trying to detect who normal length of 750 words. This apparently growing to stresses, he is attempting a Before writing, however, I tele-dilemma cannot, of course, be-identify what makes other than the course in the cou

phoned my office and was told resolved simply by restoring people invulnerable to them the consolidated accounts as they phoned my office and was told resolved simply by restoring people intended to them are not subsidiaries of Price and that, because of unforeseen the former real pay differentials that can be done, he readen circumstances, there was room of the managers affected. While we may be able to educagreater reward might make the people to cope more adequate So I compressed the material strains more worthwhile bearing, with the strains of the future. into the smaller space. Then it would not make them more At present, he is still sister I telephoned again, and was bearable to the many people through the massive compon told that further unforeseen psychologically or physically ill- print-out giving the results

I mention this because the out for the foreseeable future at useful clues which have a beautiful the control of the control of the foreseeable future at useful clues which have a beautiful c topic I had chosen for the least, the only practicable ing on this country's polycolumn happened to be stress remedy seems to lie improve where managerial employment in the working situation. ing the managerial rank's is concerned.

many of the sudden, perplexing fair to say that the tendency challenges that frequently beset has been to try to find ways of belief. But this characterist my colleagues.

But this characterist while occurring fairly fr Nor is the production of daily of various kinds in people who quently among the non-victing

Since the stresses involved in particular job are always Situations of stress have, for liable to change, this approach xample, for long been insepar is prone to its own dilemma. able from the large number of For even if we develop the skill middle-management jobs that to detect vulnerabilities, how carry responsibility for getting are we then going to apply it in

This question brings me to David Burns, a 46-year-old postgraduate student at the Emotional University of Manchester Insti-But while it may be true that tute of Science and Technology. Mr. Burns' career has given described by David Burns managerial jobs of this kind, him fair acquaintance with "the capability of it certainly is not true that any stress. Starting—and nearly when a situation is likely and a management consultant, in spite of their large acquain

personnel specialists who are make himself rich by selling cold smile on their tight-lippe all too often remote from the the business about five years faces is the best way of man particular workplace—which in ago. He then returned here to ing well in inevitably at the particular workplace. white Horse Distincts from June resigned from the Board.

1. He will succeed Mr. Peter N. Abbott joined Drake and Cubitt

Whitey, who becomes managing as a non-executive director in 1972

Lord Strathalmond, a director many cases is the only place take a bachelor's degree in circumstances well, if the personality strains of applied psychology at the Uni- probably better than breaking sons, another DISTILLERS COM- man of Drake and Cubitt Holdings. has been appointed a director of the job show themselves.

Versity of Wales, which got him down." So it could well be that interested in the problems of And with that—and a tigh whether or not the person stress, which he is now working lipped smile—I will compl

makes some people vulnerah

his first detailed experiment So with restitution of mana- But his background research

> Large-scale indicated that people of pros invulnerability to stress has which might be expected, M Burns says, is strong religiou is by no means universal.

> A more general trait amos the invulnerable is that the are supported, not only by family with whom they get i well but also by a relative large circle of acquaintance This, of course, challenges fairly, frequent public declar. tions that what this count needs is a much greater willing ness among its workforce to: mobile.

Another general Moreover, the selection of before emigrating to the U.S. to tanceships, to be rather soulle

my 950 words and go down

## positive openicast executive for the a memoer of JAMES CAPEL AND past six years, has been CO., stockbrokers, and is resignated in 1968. \* to f NCB (COAL PRODUCTS) and Exchange to take up a post with chief executive-designate from Tillinghurst and Co., actuarial lected chairman of DRAKE AND Harrison, whose appointment to **PRODUCTION** BANKING APPOINTMENTS CAPACITY

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Jonathan Wren

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## **LEGAL NOTICES**

The Companies Act, 1985.

NOTICE IS HEREBY GIVEN, that a Pention for the winding-up of the above-named Company by the High Court of Justice was on the 4th day of May 1976.

Justice was on the 4th day of May 1976.

Justice was on the 4th day of May 1976.

Justice was on the 4th day of May 1976.

PANY LIMITED, whose resistered office is similar at: 1 Burnbloomew Lane, Long don, E.C.2 and that the said Pottion is directed to be heard before the Court is similar at: 1 Burnbloomew Lane, Long don, E.C.2 and that the said Pottion is directed to be heard before the Court that the said Pottion is stiming at the Rayal Courts of Justice.

Strand, London, WCA 2 LL on the 14th day of June 1976, and any creditor or contributory of the said Company desirous at the time of hearing, in person or by his counsel, for that purpose: and a copy of the Pottion will be furnished by the undertsinged to any creditor or contributory of the said Company requiring such tory of the said Company requiring such copy on payment of the regulated charge for the same.

Braby & WALLER.

TERNATIONAL

Mr. Nicholas M. S. Gubbins has been appointed a director and general manager of CHARTER-HOUSE JAPHET (MIDLANDS).

His counting at the Rayal Courts of Justice, 13 Hainault Street.

His counting at the Rayal Courts of Justice, 21 Hainault Street.

Strand, London, WCA 2 LL on the 14th day of Justice, Strand, London, Mr. T. H.

Mr. Nicholas M. S. Gubbins has been appointed a director and general manager of CHARTER-HOUSE JAPHET (MIDLANDS).

His counting at the Rayal Courts of Justice, 13 Hainault Street.

His Company tending at the Court of Landon, Mr. T. H.

Hargreaves will continue to be a director of the company.

The Company of the said Counting and the High Court of Hainault Has a Landon, Mr. Nicholas M. S. Gubbins are substituted as director and general manager of CHARTER-HOUSE JAPHET (MIDLANDS).

His Counting at the Rayal Courts of Justice, 13 Hainault Street.

His Counting at the Rayal Courts of Justice, 13 Hainault Street.

Mr. Nicholas M. S. Gubbi

COMPANY. 29 Theobalds Road, London, WCIX SSP. Solicitors for the Petitioner.

#### **CLUBS**

Per single

column

centimetre

EVE. 189 Rogent St. 734 0557. A la carte or All-in Monu. Three Spectacular Floor Shows 10.45. 12.45. 1.45 and must of Johnny Hawkoworth & Friends. GARGOYLE, 69 Dean Street London. W. STRIPTEASE FLOORSHOW SEX UNLIMITED Show at midnight and 1 a.m. Hostesses Monday-Friday. Glosed Sats, 437 6455 Mongay-Friday, Liosed Sats, 437 6455. ME right impression is always important At THE GASS-IGHT we offer copy bars, forse-class Cabaret throughout the evening and friendly service that makes your valued entertaining so easy. A Night Club with a big difference. Visitors cover charge 53-00. No membeship for our of town or overseas visitors. 4 Duke of York Street. St. James. Loodon. S.W.I. Tel. day! 734 1071, after 6 p.m. 930 T648.

## **EXHIBITIONS**

TWO IMPORTANT EVENTS. The Stree Forbiture and Emergency Lighting Exhibitions and Seminars. The Motrosofe Exhibition Centre. Brighton, 19th-21st May 10,00-19.00 hours. Trade only. Admis sion free. BUXTON ANTIQUES FAIR until May 22 Daily 11.30 a.m.-8 p.m. (exc. Sunday).

## If so contact: The Batch Production Fabrication Specialist Darbmouth Manufacturing Co. Ltd. Trinity Read. W. Bromwich Telephone K. Buswell - 021-553 0597 for immediate action

No. 001520 of 1976

In the HIGH COURT OF JUSTICE Chancery Division Companies Court, in the Chancery Division Companies Court, in the Chancery Division Companies Court, in the Chancery Division Companies Court in Chancery Division Companies Court in the Matter of E.W.I. (BATHROOM Mr. Harold Skelton U.K. merchan-PANY LIMITED and in the Matter of CENTRE) LIMITED and in the Matter of CENTRE) LIMITED and in the Matter of CENTRE IN THE MATTER OF THE MA The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a NOTICE IS HEREBY GIVEN, that a

ment of the resulated charge for the same.

BRABY & WALLER, 2.3 Hind Court, Fleet Street, Lopdon, ECAA 3DS, Solicitors for the Petitioner.

NOTE.—Any porson who intends to appear on the hearing of the said Petition must serve on or send by post to the above-named, notice in writing of his intention so to do. The nutice must state the name and address or the person, or, if a firm, the name and address or the person or firm, or his or their solicitor if any), and must be served or, if posted, mag be sent by London, WCIX ssr.

Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on or send by post to the above-named, notice in writing of his intention so to do. The notice must state the name and address of the person, if a firm, the name and address of the firm, and must be sinced by the person or firm, or his or their solicitor (if any), and must be served or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 11th day of June 1978.

#### MOTOR CARS

AGUAR XJS Sports Coupé. immediate delivery, Serkeley Garages, Tel. 01-499 4343.

#### PLASTIC MOULDING

An independent plastics moulding company based in the West Midiands seeks to expand by ing company or subsidiary. Write Box E.7949, Financial Times, 10, Connon Street, EC4P 48Y.

## was previously deputy secretary of the Fund. The Housing Corporation has appointed Mr. John Hands, executive director of the Society for

Mr. Len Wright, packaging and distribution director of Norfolk Newlay Egg Company, has been appointed chairman of the BRITISH POULTRY FEDERA-TION. He has been vice-chairman

Mr. R. A. Read, managing director of Ti Vitreous Enamels, has been appointed chairman of the VITREOUS ENAMEL DEVELOP

At the meeting of the Associa-tion's National Council following

Barclays Bank of Swaziland.

Mr. Dennis Fredjohn has been

## BARLOW RAND LIMITED

(Incorporated in the Republic of South Africa) -**EXTRACT FROM INTERIM REPORT TO SHAREHOLDERS** 

CONSOLIDATED PROFIT The unaudited consolidated results of Barlow Rand Limited and its subsidiaries for the six months

results for the year ended 30 September 1975 are:	Six months ended 31 March	Six months ended 31 March	Year ended
	1976	1975	1975
Turnover	R000's	R000's	R000's
	536,778	404,545	921,360
Trading Profits	54,666	40,341	97,802
	6,961	8,726	15,508
	730	913	954
Profit before taxation	62,357	49,980	114,264
	*22,582	15,069	35,412
Profit after taxation	39,775	34,911	78,852
	7,325	5,865	12,619
Consolidated profit after taxation	32,450	29,046	65,233
Dividends paid and declared: Preference	72	22	45
	7,093	6,897	22,667
Number of ordinary shares upon which earnings per share is based (calculated proportionately in respect of shares issued during the period) Earnings per ordinary share based on consolidated	101,304,000	98,523,000	98,536.000
profit	32.0 cents	29.5 cents	67.2 cents
	7.0 cents	7.0 cents	23.0 cents

#### of which R849,000 (0.8 cents per share) is due to the increase in the rate of taxation from RESULTS, TRADING CONDITIONS AND PROSPECTS

FOR THE YEAR ENDING 30 SEPTEMBER 1976 The Chairman in his statement accompanying the 1975 annual financial report predicted that the country's growth rate would not show any improvement during the year and that the 1976 year for the group would be one of consolidation and preparation for growth in future years. Whilst trading conditions up to December were better than had been anticipated, there has since been a definite down turn. This has been due primarily to the general impact on the economy of the lower gold price, continuing inflation with the added effect of the Rand devaluation in September 1975, and the national campaign against inflation to which the group subscribes

Divisions which have been particularly affected are those allied to the building and construction and engineering industries. The group has, however, benefited from its diversification of interests with strong performances by the mining and alloys divisions, particularly in exports: a significant increase in contribution by our electronic interests; and the contribution to profits for the first time of television in comparison with the same period last year. The net profit before tax for the period shows an acceptable percentage increase, but the relative percentage increase in profit after taxation and earnings per share is significantly lower because of a heavier effective tax charge. This is due to a change in the mix of income, particularly

in the mining division, and to the basic increase in the rate of tax introduced in the 1976 budget, which accounted for R849,000 or 0.8 cents per share. The increase in earnings per share over last year is 8.5 per cent. If the 1975 tax rate had applied this increase would have been 11.2 per cent.

Government policy, as contained in the latest budget, is to cut back on public sector expenditure. This will have a wide effect on the economy in general and the group in particular. There is, therefore, no reason to believe that business conditions for the group will improve in the second

six months of the financial year. In view of this and the increased rate of taxation, your board. is of the view that any improvement in earnings per share for the year will not be significant.

Should these results be achieved an unchanged dividend distribution for the year equal to the 23 cents per ordinary share paid for 1975 is foreseen.

The commitments for capital expenditure at 31 March 1976 amounted to R86.526.000 (31 March 1975: R56,195,000; 39 September 1975: R51,934,000). The major portion of this capital expenditure

relates to mining projects and the expansion of The Northern Lime Company Limited to be incurred over the next seven years.

This expenditure will be met from earnings, including those of outside shareholders in subsidiaries and from finance already arranged.

DIVIDENDS A preference dividend of 6 per cent. for the half year ended 31 March 1976 has been declared interim ordinary dividend of 7.0 cents per share (1975: 7.0 cents) was declared on 18 February 1976 and a formal notice of this declaration was published on 19 February 1976. For and on behalf of the Board

A. M. Rosholt (Vice-Chairman and Chief Executive)
K. C. Comins (Deputy Chairman)

33 de Beer Street; Braamfontein, 2001 South Africa 14 May 1976

United Kingdom Registrars: Lloyds Bank Limited. Registrars' Department. The Causeway.
Goring-by-Sea.
Sussex BN12 6DA, England

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## Higher motor premiums present many problems

BY OUR INSURANCE CORRESPONDENT

om the insurance company ports for 1975, published in e past lew weeks, it is the fire ction of each composite office's ime business that has conned to be the main source of offit, while motor insurance has intimed to be difficult if not inhuleicly unprofitable.

a rating change this lapse ratio backward glance at the starting may rise by another 10-15 per dates for their last round of cent above average and fall sub-increases, and then try to calculate when they will move their culate when they will move their surers' rates have leapfrogged prices and by how much.

It he can then raise his rates mediaries' accounts and so on market price position once the are very necessary administrative items in the ioilection of rating everying and he can time impletely unprofitable.

In spite of the regular rounds for premium increases at six animomentally intervals, with a significant containing and another more than the a year in the premium for the animometer any each flow for investment and each flow flow for investment and each flow flow for investment and each flow for investment these become sud-his increase to take place just the items in these become sud-his increase to take place just for inversion of rating exercise and he can time premium: these become sud-his increase to take place just for inversion of rating exercise and he can time premium: these become sud-his increase to take place just for inversion of rating exercise and he can time premium: these become sud-his increase to take place just for inversion of rating exercise and he can time premium: these become sud-his increase to take place just for inversion of rating exercise and he can time premium: these become sud-his increase to take place just for inversion of rating exercise and he can time premium: these become sud-his increase to take place just for inversion of rating exercise and he can time premium: these become sud-his increase to take place just for inversion of majority change their prices. he majority change their prices he for or at the same time as the premium: these become sud-his increase to take place just for inversion of majority change their prices. he majority change their prices he for or at the same time as the premium: these become sud-his increase to take place just for or at the same time as the premium: these become sud-his increase to take place just for or at the same time as the premium: the premium: these become sud-his increase to take place just for or at the same time as the premium of majority chan

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nw count their annual average percentage without any delay. claims discount to shop around— pse ratio in the 20-25 per cent. In this situation he can take but such a solution to the the mothhs immediately after pal competitor's prices, take a largely unthinkable.

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ND TERRIFIC YEAR

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#### Allegiance

Allegiance

The regular upward revision motor premiums supervised to Department of Trade by a application of formulae areed with the British Insurge Association—very necessary is keep pace with continually disting claims costs — is now aginning to show some signs I not being the answer if erhaps in theory should be excuse each rating increase has direct and immediate adverse apart on expense ratio.

This is not, however, the addity foreseeable and calculations along these lines and bearing in mind that few can be in a price position which will allow them the luxury of postponing an increase for acquire new business, insurers have always tried to retain as spent on such planning may scarcely be justified. With a continuing high level of inflation or a level which fluctuates perhaps between 10 and arising from unproductive documentation and the necessary cancellation entries to the addity foreseeable and calculations along these lines and bearing in mind that few can be in a price position which will allow them the luxury of postponing an increase for acquire new business, insurers have always tried to retain as spent on such planning may scarcely be justified. With a continuing high level of inflation or a level which fluctuates perhaps between 10 and arising from unproductive documentation and the necessary cancellation entries to the leapfrogging process and other motorists start when the necessary of the leapfrogging process and other motorists start when the process and other motorists start when the necessary cancellation entries to the leapfrogging process and other motorists start when the necessary of the leapfrogging process and other motorists start when the necessary of the leapfrogging process and other motorists start when the necessary of the process and other motorists start when the necessary cancellation entries to the leapfrogging process and other motorists start whe

policy records, nor of answer, ig numerous questions and combaints from aggrieved policy of acquisition put pressure on clerical processes and underwriting and in extreme circumstances, expensive overtime may stances, expensive overtime may be care uncortain extent—of an impact of very much time.

On the books.

Troughs of lapses and peaks of acquisition put pressure on clerical processes and underwriting and in extreme circumstances, expensive overtime may be care but also the volume of have to be worked to keep in the content of the conte

psuree in cancellations upon perfectly in the possible in each month that the for any one insurer so to time articular insurer's rates remain incompetitive.

For some while it has been ear that among younger policy-that his rates are currently for any insurer taking on a claims and particular insurer's rates remain in the possible his increase to minimise his competitive disadvantage. We have not make two assumptions—firstly. For some while it has been ear that among younger policy-that his rates are currently for any insurer taking on a claims discount the has retain a high percentage of earned with his previous insurer. A change in this practice by the whole of the market would make it thoroughly unattractive must raise his prices by a given or claims discount to shop around acket. This is an average and time to have a look at his princi- switching problem remains very

tive items in the collection of rating exercise and he can time

# Last year, General Accidents investment in British industry and commerce reached £320 million. That's the measure of our idence.



"We have been ready to play our role in providing funds to both Finance for Industry and the much discussed equity investment vehicle, though investment through these additional channels will account for

a very small proportion of the total moneys invested in the ordinary way through the capital markets.

Last year, our total investment in British industry and commerce reached £320m, and we will continue to invest in industry so long as we have sufficient confidence.

It would be irresponsible for us to do so if we have not."

Mr. I. H. Stuart Black Chairman, in his Annual Statement to Shareholders.

Copies of the Statement and the Report and Accounts can be obtained from the Company Secretary, General Accident Fire & Life Assurance Corporation Ltd., General Buildings, Perth PH1 5TP. The Annual General Meeting will be held on Wednesday, 26th May, 1976 in Perth.



Honestly, it's the best policy

EN NYMENT	SANIVATION I	(HUID) I
OPERA AND BALLET	THEATRES	THEATRES
THE STUTTGART BALLET	HAYMARKET 930 9832. Evenings 8 00 Matinge Wed 2 30. Sat 5.00 and 8 15 Edward Woodward. Geraldine McEwan Jennic Linded Edward Mardwicke	SHAKESPEARE AT SY, GEORGE'S
ear 7.30 Mat. Sat., 2.30. Tempt over and Wed Bomes and Juliet her fre and Sat Voluntainer, Poome di	Jennie Linden Edward Hardwicke	Sarah Badeil Lyon Faciolgh, Elvie Hale Eric Porter TWELFTH NIGHT
Exist Initials RBME	OM APPROVAL	
DLISEUM June 1 10-July 17 NUREYEV FESTIVAL	You should rush to see it. Only Tell in got my approval. Eve News An evening of come delight	
Parts / Ware, w. w.ll ancear with incre	Harold Hobson Sunday Times HER MAJESTY'S 950 6600 EVES 8 00	room 75p available on the night. Mat Wed. 2 30 all seats 900 49 Tuinell Park Road Islangton N.7.
luin 1 to 19 Lond o Feitreal Ballet. June 22 to July 7 Numbers and Francis The Secretary Ballet	Mat West 2.30 5:1 5:45 and 8:30	or any manch or Keith Prowse.
BOOKING NOW OPEN \$36 3161		SHAW. 01-388 1394 Last 2 weeks frenings 7:30 Mat. Wed 2:30 FULTON MACKAY of
OVENT GARDEN 740 1066	KING'S ROAD THEATRE 352 7488	
romehl Frie and Sal 7.30 RIGOLETTO:	THE ROCKY HORROR SHOW  BEST MUSICAL OF THE YEAR  "Impossible to over-praise Funch	See it at all costs Durly Mail.
sent 65 Americants for all perfo. On the firm 10 a.m. on 689		STRAND, 836 2650. Evenings 8 DO Mats Thurs 3.00. Sals 5 30 and 8:30 Dorl: Hare, McDonald Hobley
	LYRIC. 01-437 3685 Evenings 8.0 Mat Wed 3.0 Sat 5.0 and 8.30. JOAN PLOWRIGHT	NO SEX PLEASE, WE'RE BRITISH
LLADIUM. 01-437 7373 Gala Colonia July 9 to July 27, Lag. 740 Ata Web, 5t 2-45 AUSTRALIAN BALLET of Briss Property of Dillegath	IOHN MOFFATT Frant GRIMES IN THE BED BEFORE YESTERDAY.	Directed by Alan Davis
AUSTRALIAN BALLET on B. St. Promer of Juli-length on on of Fine Length Operation	A COMENT BY BEN TRAVERS THE FUNNIEST SEX COMEDY IN LONDON Sonday Telegraph	TALK OF THE TOWN, 01-734 5057 From 8.15 Dining and Danring, At 9.30
THE MERRY WIDOW.	LYTTELTON (New National Theatre)	: New Revue SWEET TEMPTATION
OLER'S WELLS TH. Rounds & Ave 1 621 1412 Firm Tue 75 Max to 1 1014 Ltd. 750 Miss Sats 2:30 THE ROYAL BALLET	918 2251 Ton't 7.45 Last Perl	SALENA JONES VAUDEVILLE, 836 9988 Eves at 8 00
THE ROYAL BALLET	ne Harold Pinter Tomor 7.45 Wed 2.30 and 7.45 John Gahriet Borkman	VAUDEVILLE, 836 9988 Eves at 8 00 Mats, Tues 2 45 Sats 5 00 and 8 00 Margaret LOCKWOOD
	OVER 100 EXCELLENT E1 SEATS	Paul DANEMAN and Barrie INGHAM DOUBLE EDGE "SUPERS The Several who dun-it i
THEATRES	MAYFAIR 629 3036 493 2031 Regtd.	have seen for years. Daily Telegraph.
Quenta latings June 13	MAYFAIR G29 3236 493 1251 Reddd. Die Pres Ton 551 632 and 9 May 24 25 26 37 315 200 May 21 7 WHATS A NICE COUNTRY LIKE US—DOING IN A STATE LIKE THIS?"	EVES. 80 Wed., Sal. 6.0 and 8.45
THE MUSICAL MUSICAL OUCED PRICE PREVIEWS June 4.	LIKE US DOING IN A	SCOTT WHITFIELD A SEDFUL OF FOREIGNERS
OUCED PRICE PREVIEWS June 4. 0. 9 :0 11 and 14 at 7.33 to day june 12 of 5.30 and 8.30	MERMAID. 248 7656 Food 248 2935.	"GENUMELY HILARIOUS are exceedingly fugny evening." Guardian Dinner and best stalls £3 inc. (Mgn -Th)
IERY 836 38 N Eventops at 2 00.	Evenings 8.15 Matthew Sal. 5 0 Millicent Martin, Julia McKenzie, Bacid Martin, Med Sherria D	
its Their 3 Sate ; and U.15 Share. National Theater Production. COLIN BLAKELY of	David Kernan, Red Sherrin in SIDE BY SIDE BY SONDHEIM A. Musical Entertainment	Previews from Wednesday  OPENS MAY 24th  RIDE! RIDE!
b. PITTE MAFILE D. A. JOHN OFFIER		A Musical about John Wesley Directed by Peter Coe
Individe The Compacting 2000	und D Tel. Supreme's political on accable political and E.S. Acts Iron 250 Duner-Show LS 95 NATIONAL THEATRE see under Lyttelton	WHITEHALL . 01-930 6692-7765
Prial Shatesprine Company OPENS MAY 25th.	NATIONAL THEATRE see under Lyttelton; NEW LONDON Druck Line 01-435 3072	PAUL RAYMOND presents Britain a No 1 See Symbol
	NEW LONDON Brary Line 01-435 3072 Presents From Man 22 to June 1 at 80 Octob June 2 at 2 BRIAN PROTMERGE	Britain a No. 1 Sex* Symbol FIONA RICHMOND IN COME INTO MY BED
o 3d First right May 25 at 6 30	LEAVE NIM ID HEAVEN A ROCK AT ROLL MASSON	WINDMILL THEATRE. 437 6312 PAUL RAYMOND prosents
ger: : : : : : : : : : : : : : : : : : :	LEAVE HIM TO HEAVEN  DPEN AIR, Regent Part 486 2431	Twice Nightly at 7.00 and 9.00.

## WYNDHAM'S 836 3025, Red. pr. press 334 May 24 and 25 at 5. Ozens May 24 40 4t 7. Subs Mon Tue, Thir. Fri at 8 Wed. ard 581, 5.20 and 8 30 Wed. ard 581, 5.20 and 8 30 THEEN MIRREN DAVE KING MARTIN SHAW TETH N. SMILES Writen in directed by DAVID HARE YOUNG VIC. the Did VIC. 928 6363 YOUNG VIC IN Old VIC: 928 6363 Tht. 8. TEN LOST YEARS, S1 CINEMAS ABC 1 & 2 SHAFTESSURY AVE. 836 8861 Sep. Ports & LL SEATS 8K6: 1 1 ACES HIGH (A). Royal Premiere Al

PRINCE OF WALES.

PRINCE OF WALES.

Man Thurs 8 00 F Sair 5 30 Mar Wird 3 JEROME KEPN S HIT MUSICAL VERY GODD EDDE!

"LOVELY TO look at DELIGHTFUL 10 Beds and DELIGHTFUL 10 HASTERPIECS for the best exceeds?"

"A MASTERPIECS for the best exceeds?"

"A MASTERPIECS for the best exceeds?"

"A MASTERPIECS for the best exceeds?

"A Great New Match." Dails Mirror.

MARDI GRAS.

"Entirent Most Challed Musical for a long base time."

"Entirent Most Challed Musical for a long base time."

Entirent Most Challed Musical for a long base time. OUTEN'S 01 714 1166 Evaluate 8 00 Mars Thurs 100 Sat 5 30 and 8 30.

Manual of all the swarts for Manual of Grandon In Surem Gray 5 OTHERWISE ENGACED

BIST PLAY OF THE YEAR

RAYMOND REVUEDAR THEATRE-SERRE 1.3.1. Lendester St. (Wardons St.)
439 447. Cont. Perrit. Div. 12.30 Late.
SCERE 1. Cont. Perrit. Div. 12.30 Late.
Show Fr. 4. Set 11.55. Rediard Hoffman.
ALL THE PRESIDENT'S MEN. IAAP.
Props. 17. 30. 255. 5.55. B.55. Late.
Show Fr. and Set. 11.55.
SCENE 2. 3rd YEAR THE EXORCIST IX.
DUPCTED IN WINDER Frienk'S Sep. Peris.
Div. 12.30 3.00. 6.15. 9.09. Late. Show
Fr. and Set. 11.30.
SCENE 3. Cont. Peris. Div. 12.30 Late.
Show Fr. and Set. 11.05. Charles Bromton
THE STREATHING SADDLES. AA. 12.39.
4.00. 7.35. Late. Show Fri. and Set.
1.00. 7.35. Late. Show Fri. 2.36.
THE TREE NOTIONS SET TO 

## Clarke Chapman Limited 1975 Results

•	1975	1974
Turnover	£182,000,000	£134,000,000
Profit before Tax	£7,520,000	£6,742,000
Profit after Tax	£4,296,000	£3,708,000
Dividend per ordinary share (Gross Equivalent)	6.8217p	6.2015p
Basic Earnings per ordinary share	13.17р	11.47p
•		

Points from the review of Chairman Mr. J. B. Woodeson, C.B.E.

Improved profit and sound liquidity ... overdraft reduced and Department of Industry £3 million loan repaid.

Increased order intake . . . over wide range of engineering products.

Overseas and export... order content at 39% of total. Nuclear role...

design and pre-production work in hand for steam generating heavy water reactor programme.

Capital investment... programme implemented



**ENGINEERING FOR INDUSTRY WORLDWIDE** 

The Eighty-third Annual General Meeting will be held on Wednesday 9th June, 1976 at 3.00 p.m. at the Company Headquarters, Victoria Works, Gateshead

The Financial Times Monday May 17 1976

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## SHARE INFORMATION SERVICE

BUILDING INDUSTRY—Continued DRAPERY AND STORES—Continued Price s Net Cur Gra PRE f a Gress Cyr Gr's Price I Net Cyr Gr's P.E. London EC3A 7HJ Telex 8811181 Paid Seck | Seck | Ma S.J.D. Br. Montreal St. |
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A.J., O.J., O. | Cort | Gr | F | Pale | Stort | Price Aug. Latage Na. Aug. Latage Org.
June Lang. John "A'
Aug. Lathar. Ja. (1...
Dec. Lawton 10p...
Dec. Lawtene W...
Nov. Leaderlush 10p.
Aug. Lathar Pant...
June Liley F.J. C...
Aug. Laner C. Mich 10p.
June Laner C. Mich 10p.
June Landon Brock... 19.21 Mr.Jc.S.D. Massey Forg. | 720 June Dec. Parific Pet. St. | 10.47 June Dec. Road Bit Can. St. | 10.47 June Dec. Road Bit Can. St. | 10.38 M.Je.S.D. Royal Bit Can. St. | 10.78 F. MyAUN, Tor. Dom Bit St. | 7.23 J. Ap.Jy.O. Jrans. Can. Pape 30.c. | 2.18 Mar. Sept. White Pass. | 10.94 294 st 14 \$100 254 st 153 \$00 163 305 70c 10% 293 88c 760 ptt 153 \$35 June Londo Brick...
June McWell (Y. J.
June McWell (Frap
Aug. Hatnet & Stas
June Wallason (Wm).
May Manders (Hidg).
Apr. Marcharel
Mar Marcharel S.E. List Premium 563 (\* thused on \$1.7860 per £) Nov. May Manders Hid.
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Oct. Apr. Sept. Milter (San 10p.
July Montant)
July Montant III.
Apr. Sept. Sept. Broch Sop.
Feb. Aug. Orme Ders Nop.
Jan. May Raker Timber
Jan. May R. M. C.
Mar. Oct. Reddand
Oct. May Red & Wall Nop.
July Nov. Reero Group
Nov. May Buberoid
Jan. July Rowhssan 10p4.
Jan. July Shellaber Price
Dec. July Shellaber Price
Dec. June Smart J. 10p.
Jan. May Southern Co. S.
May Nov. Sparrow G. W. 3p.
HBANKS AND HIRE PURCHASE Over Fifteen Years 221 Treasur; 124pc 92 tt ...
141 Treasur; 12-pc 93tt ...
141 Treasur; 12-pc 93; 3-cf ...
143 Treasur; 12-pc 93; 3-cf ...
15S Fundag for 1993; 1...
17N Treasur; 9pc 94tt ...
1NGs 3pc 90 95 ........ Oct. Electromps He.
Oct. Electroms Mari.
Anig Elec. Rentals 10n.
Ang. Electry Servs. Hy
Jan. Ever Read;
Nov. Farnell Elec. 29n.
Jan. Fidelity Red. 10p.
Oct. G.E.C.
Jun. Goldring 18p.
May Highland El. 28p.
Apr. Jones Strond
July Lamenuce Scott.
Oct. Lec Refrig.
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SANWA The Financial Times Monday-May-17 1976 35 INDUSTRIALS—Continued PROPERTY—Confinted / TRUSTS—Continued TRUSTS Continued HINSURANCE Price I No Cut Gr's P/E Paul Suck Price u Net C's7 Gr's P/E Prid Stock Price a Net Cvr Grs PIE Serving the world Price & Net CAT Gr's P/E 15|11.6
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Stock Exchanges throughout the United Kingdom for a fee of \$225 per annum for each security

# FINANCIALTIMES



## Provos are retaliating against police-Rees

of five civilians were a direct publican areas.

That may be right, but this gangs for the Provo attack at could be a deliberate line on the Belcoo on the Fermanagh border, where three police and kill policemen because of solution to the Northern Ireland Chimen Minister, where three police and kill policemen because of solution to the Northern Ireland Chimen Minister, the intends to init towards a "unity by consent" and strategy at a policers died in a booby trap the growing successes of the crisis.

Mr. Grimond is a refo on the political Left.

He intends to init towards a "unity by consent" and strategy at a policers died in a booby trap the growing successes of the crisis.

BY MARGARET REID

tional agreement in principle on

such a take-over has already been reached between GEC and

A RIVAL suitor for part of the parties.

puts up further cash support.
A substantial degree of condi-

FORD'S WHISTLE-STOP TOUR

week-end for many months, in on his patrol car near the explosion killed two Roman which nine people died. Mr. horder, close to the town of Catholics and Injured 26 others. Merlyn Rees, the Ulster Secre- Newry. Two of his colleagues including two children.

interest in AEI subsidiary

loss-making AEI Scientific Vacuum, whose sales should director.

Apparatus, subsidiary of GEC, reach £5m, this year, employs Cambridge Instrument, formed may enter the field in oppost 500 people and has premises last year with £4.5m, of Government to the Government-backed near Manchester and in Sussex, ment backing by the merger of Cambridge Instrument.

About half its business is in the the profitable private Metals and the concern with the loss-

The possible alternative buyer production of mass spectro Research concern with the lossis the private company. Vacuum meters, also one of AEI making Scientific and Medical
Generators, which specialises in Scientific's specialities. Both Instruments—itself earlier hived

some of the same lines as AEI also make vacuum products and off, with Government aid, from

Amalgamated

A faltering campaign

cientific. surface physics instruments. George Kent—is now being much Proposals are at present being On the other hand. AEI Scien-reorganised and streamlined.

Vacuum Generators, which is time, absorb AEI Scientific.

AFTER ULSTER'S most violent geant, was killed in an amubah soccer match on television. The

tary, said that the murder of were also wounded in the hail. Three more Catholics died four policemen is part of a of gundre which struck their when a bomb exploded without MR. warning in a bar in Charlemount. Liberals' caretaker Leader: will lished so that "a thorough job"

Co. Armagh. The bombers begin his two-month effort this could be done by concentrating machine-gumed the other public week to restore the confidence on a few issues.

# Vacuum Generators shows

Douglas Latham is managing

George Kent-is now being much

## Grimond fights to restore party confidence

deliberate campaign launched by vehicle.

warning in a bar in Charlemount. Liberals' caretaker Leader: will itshed so that "a thorough job" the Provisional IRA because of the Provisional IRA because of increasing successes by the Royal might indeed mark the start of machine-gumed the other public week to restore the confidence on a few issues.

Ulster Constabulary.

The bombers begin his two-month effort this could be done by concentrating rights issue boom the industrial week to restore the confidence on a few issues.

Police believe that the deaths introduction of police into Reason another three people.

We Lieu Congrave the Irish on the political left.

We will listed so that "a thorough job" In the midst of the equity rights issue boom the industrial factor of the party and revive its. Mr. Johnston said that the fixed interest debt markett.

Police believe that the deaths introduction of police into Reason another three people.

We Lieu Congrave the Irish on the political left.

We will listed so that "a thorough job" In the midst of the equity rights issue boom the industrial factor of the equity rights issue boom the industrial factor of the equity rights issue boom the industrial factor of the party and revive its should be done by concentrating rights issue boom the industrial factor of the equity rights issue boom the industrial factor of the equity rights issue boom the industrial factor of the equity rights issue boom the industrial factor of the equity rights issue boom the industrial factor of the equity rights issue boom the industrial factor of the equity rights issue boom the industrial factor of the equity rights issue boom the industrial factor of the equity rights are also another three peoples.

nis Government's pledge to work review of the party's programme towards a 'unity by consent' and strategy at a meeting of Liberal MPs on Wednesday.

the social priorities had to be estab

ading role as a reformist torce in the political Left. "common attitudes, outlook, beliefs, ideals and hopes" that distinguished them from the distinguished them from the vested interests." of both

explosion while investigating an military organisations began in said, was taken by the Director ders. Mr. Russell Johnston, yesterday Liberals at the week-end that Belcoo police station.

The fourth policeman, a ser-customers were watching a Government.

The decision of prosecution into prosecution into prosecution into prosecution into a public house where pletely independent of the outlined their ideas on the would not be prepared to party's course.

The fourth policeman, a ser-customers were watching a Government.

Mr. Hooson said on ITV's his Roxborough constituency.

"Week-end World" programme This would be a disadvantage that the Liberals needed to be for a party leader, he said, and "radical in particular, instead was one of the practical consideration of vaguely radical in general."

Specific policies had to be set before finally deciding whether out for dealing with the country's to contest the election, whose economic problems encouraging rules will be decided by the enterprise and reducing unem-special party assembly next ployment, he declared. And clear month.

## S. African diplomat's expulsion sought

LABOUR MPs to-day will press renewed interest in the activities for the expulsion of a South of Rhodesian recruiters of U.K. African diplomat alleged to have mercenaries for the hard-pressed Proposals are at present being On the other hand. AEI Scienter reorganises and streaming African diperpared by Cambridge Instrutific's microscope output has bringing hopes of an improved African diperent for it to acquire AEI more affinity with Cambridge trading performance.

Scientific, provided the State Instrument, Britain's largest prothe further cash support.

The state of electron-microscopes.

The possible nucleus of an improved African diperent involved in the possible nucleus of an improved African diperent involved in the possible nucleus of an improved African diperent involved in the possible nucleus of an improved African diperent involved in the possible nucleus of an improved African diperent involved in the possible nucleus of an improved African diperent involved in the possible nucleus of an improved African diperent involved in the possible nucleus of an improved African diperent involved in the possible nucleus of an improved African diperent involved in the possible nucleus of an improved African diperent involved in the possible nucleus of an improved African diperent involved in the possible nucleus of an improved African diperent involved in the possible nucleus of an improved in been involved in an attempt to Rhodesian armed services. There discredit an unnamed British have been signs recently that politician.

direct approaches are being made

Campridge Instrument. One of The company was formed in over by us of AEI Scientific."
Vacuum's directors. Mr. John the 1960s by two former em. The National Enterprise Board Waldron, was formerly manage players of Mullard Radio, Mr. said that a proposal for the ing director of AEI Scientific. Barnard Eastwell, a physicist who meager, with State support, was At present there are no indications that such a plan would Mr. Vie Treasure, an engineer to itself and the Department of commend itself to the other who is an executive director. Mr. Industry. tried to obtain a copy of a por- "incredible

a youth who claimed to have be treasonable."
helped make it had been asked He is tabling Commons que

British authorities are taking gate.

that apparently

by the embassy official to obtain tions to Mr. Roy Mason, Defence a copy.

Secretary, asking what evidence
The Home Office said at the there is to indicate that British week-end that the contents of soldiers are buying themselves a letter from the Guardian about out of the Army to emigrate to the affair were "being looked Rhodesia to join up there. He at"

will ask Mr. Crosland to investi-

# amalgamated British scientific. Mr. Frank Hooley, Labour Mp instruments group. It has long been expected that it would, in submit an emergency question in mercenaries for Rhodesia can be time, absorb AEI Scientific. Submit an emergency question in the Commons to Mr. Anthony enforced only if the recruitment takes place in the IIE Most

Vacuum Generators, which is time, absorb AEI Scientific, expected to make pre-tax profits. Although Vacuum is still exof about film, this year, was in Cole, joint chairman and chief amining the question, it is 1972 considering a flotation to executive of Cambridge Instructions of AEI Scientific expected to make pre-tax profits. Earlier this month, Mr. David Cole, joint chairman and chief amining the question, it is 1972 considering a flotation to executive of Cambridge Instructions of AEI Scientific.

The company was formed in over by us of AEI Scientific.

Earlier this month, Mr. David Cole, joint chairman and chief about the activities of Mr. J. L. Russouw, a second secretary, at the South African embassy.

Last night the Foreign Office which parallel its own activities, the remainder going to 1973.

Cambridge Instruction of AEI Scientific.

Earlier this month, Mr. David Cole, joint chairman and chief about the activities of Mr. J. L. Russouw, a second secretary, at the South African embassy.

Last night the Foreign Office with the form of tempting office and a measure of a take-vities, the remainder going to 1973.

Cambridge Instruction of AEI Scientific.

Earlier this month, Mr. David the Commons to Mr. Anthony takes place in the U.K. Most about the activities of Mr. J. L. Russouw, a second secretary, at the form of tempting office with a second secretary.

Cambridge Instruction of AEI Scientific.

Mr. Hooley said he would also demand a formal protest to the South African government.

South African government.

Prosecutions for consideration.

The Guardian reported on Mr. Gwilym Roberts, Labour Saturday that Mr. Russouw had MP for Cannock, said that it was nographic film allegedly involv-ing a leading politician. nothing is being done by the Army or anybody else to stop Though there was no substan what seems to be blatant poach-tial evidence that the film ing of our soldiers for duties existed, the newspaper said that which, we are told, might even

suggested that companies should be able to reflect the full cost of any new investment project in their profit margin ceilings rather than, as at present, just 20 per cent of the cost. The same principle could be applied to the allowable cost regime so ash to allow companies

hall looks like being the question of whether companies date injection of new money by concern that the security for way of a rights issue. At their certain property loans had failed price rises on input costs rather suspension price of 20p on below acceptable levels.

Thursday morning, the company's shares are below par site owned by Ragian Property claimed that this system of calculated a rights issue annual on which Rates had lent £3.5m. pany's shares are below we site united by alue and a rights issue cannot on which Bates had lent £3.5m culating permissible price in the made in these circumstances, was now only worth £1m. drew creases on the basis of the rise was hard to escape the impression of a President on the delays with an option on a Property, whose auditors are further 15 per cent.

Was been outsided as the train rate and a rights issue cannot on which Bates had lent £3.5m. culating permissible price interests of the rise towns of central Michigan, it. Arab interests hold 25 per a denial from Mr. Richard in the unit cost of output has denied companies the benefits of their greater efficiency.

John Deloitte and Co.

Mrs. Williams is thought

sympathetic to the CBI's argument about the lack of incentive to efficiency in the code, but is believed to consider the practical problems involved introducing unit costing at this late stage of the code are almost unsurmountable. She is likely to

thanks to a 10 per cent. subscrip-

THE LEX COLUMN

# Debt goes out of fashion

industrial and commercial compapies were issuing £955m. of new Ordinary shares in 1975 net issues of loan capital were just Labour and Conservatives

The party had to "establish itself without becoming an establishment," to "show that it capital by listed companies in officers died in a booby trap explosion.

Even before this incident, the mouth piece of the Protos in Utset, warned that a "long but summer" had begun for the RUC because they are of the Government's policy of regardally replacing the Army in some areas by RUC men, backed up by the military police.

The paper said "Rural within a 12-hour period, considered the RUC since the trouble activates the transited in step with the came against RUC outposts have been constanted in Belfast.

Only hours after its publication, a sergeant and two constants of Protestant paraging RUC outposts have been constants and two constants as a whole redemptions of loast widen the Westminster talks as a whole redemptions of loast widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast trails as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast or widen the Westminster talks as a whole redemptions of loast trails. Speaking at his Fine Gale widen the Westminster talks as a whole redemptions of loast trails. Speaking at his Fine Gale widen the Westminster talks as a whole redemptions of loast trails. Speaking at his Fine Gale widen the Westminster talks as a whole redemptions of loast trails. Speaking at his Fine Gale widen the Westminster talks as as Speaking at his Fine Gae!
Speaking at his Fine Gae!
party's annual conference in widen the Westminster talks establishment," to "show that it capital by listed companies on Galway at the week-end Mr. Corimond is expected to its possible to govern in a new, industry have slightly exceeded grave said of Ulster: "The suffer general party debate on its open, fairer, less bureaucratic, new issues. The funding policy of ICI may symbolise this: in 1985 and again in 1970 ICI was

The pattern is quite different previously has had to pay a overseas. In the U.S., for composition fee to the Inland instance, the volume of publicly Revenue to compensate for the Mr. David Steel, the former offered corporate bond issues stamp-free status of its I3 per Liberal Chief Whip, who with reached a record of more than cent loan 1981 in the market. offered corporate bond issues stamp-free status of its 13 per \$30bn. in 1975. Eurobond offer This amounted to 30p per £100 ings of all types reached a new per annum of maturity, an peak of \$6.9bn. or so. But in the annual £1.35m. not allowable Vield margins U.K. the Government, with for tax. This has effectively E5.2bn. net of gilt-edged new put up the gross cost of its Ideas about the stability issues, succeeded in squeezing borrowing by 1.1 points, a companies have changed drawn overwhold else

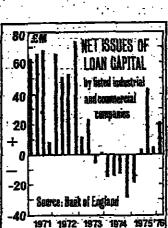
out everybody else. The Budget speech, bowever, brought signs that the authoriand medium-term debt. In one the clearing banks to facilitate move, the Chaucellor abolished the expansion of medium-term stamp duty on non-convertible bank lending to industry. Total loan stocks. This officially takes term commitments may now be effect from to-day, although in approaching £3bn. (though practice it has been possible under half of this may actually April 29 when new time Barcleys with £400m.

the difference between buying taking a quarter of its borrowand selling yields on loan ings in this form. stocks, the change being more marked at the shorter end. To to grow further, but there is a to be a year when crowding to take one example, there would limit to the extent of mismatch- could put great pressure of have been a difference of 1.25 ing of lending and deposits interest rates. Moreover, he call

to 0.29 per cent. margin between debenture and the Bank of England at times gearing is likely to fall too fall been fairly slight.

Stamp duty

One immediate beneficiary of the clearers partly reflect companies suffered when the he stamp duty move has been switching from hard-core over looked over the precipion Finance for Industry, which draft facilities. And FFI has 1974 and 1975.



burden which has now been ally in the past two or the removed. years, and athough the marg The second Budget move was between yields on gilts and bi removed. ties were concerned about the the announcement of talks be grade industrial Debentus collapse in the market for long- tween the Bank of England and may now be less than a pe

trade free of stamp since have been advanced), and dealings began for the last medium-term lending in the these are normally at a variate account.

U.K. at the end of 1975, has said term money market rates: The effect has been to narrow that manufacturing industry is term money market rates. The effect has been to narrow that manufacturing industry is leaving the borrower expect he difference between buying taking a quarter of its borrow unpredictable money costs. The provides are less ingoing this form.

per cent. between buying and which the clearers can bear, and not be confident that tax reli selling yields on Esso 51 per the aim is to secure rediscount will be fully available again cent. debenture 1974-78 on the ing facilities at the Bank which interest outgoings given. old basis, a gap which has now would reduce the liquidity risk extent of other allowance been trimmed by almost a point (though not the credit risk). against fixed investment an

Export and shipbuilding loans stock appreciation. On a 25-year stock the are already refinanceable at the When equity finance is available at the whole equity finance is a same at the whole equity finance is a sa difference is narrowed by only Bank according to a formula able, few want to take on the about 0.3 points. So the effect which relates to the level of a risks of gearing. It does n in freeing the market has been clearer's current account make much sense in terms'd most noticeable among the balances. But the money sup-inflation accounting — our description of the balances are balances. shorter stocks, where two-way ply implications of the clearing current cost basis (far too little banks being able to offload fur- attention has been

The overall impact on the ther large commitments on to Sandilands type balance to gilt-edged yields, however, has of tight credit are formidable. Over-insurance may be simply For the moment, demand for as bad as under-insurance. credit remains low. The it could be the price that it medium term totals reported by to be paid for the shocks to

the fibn. target mentioned January last year, with a much more than £100m lens this stage — although there another £100m. committed, at if may be coming back to market itself for money the next nine months. Demand may recover what with the upture in

economic cycle over the ne year. But it is still far for clear that companies in gener will be keen to take a definanced coute to expansion whether via the banks or stock market Long to interest rates would probab have to come down to the 10: 11 per cent, level before co panies would seriously be terested in issuing new los term loan stock. And at the stage the attitude of the inve ing institutions would be teste

centage point that might sharply widened by any pressi highly active Eurobond mark suade investors to accept mater ties beyond seven years.

There is scope for the total will be aware that 1977 threat

Continued from Page 1

calculating individual price rises: For example, the suggested that companies should

## There's one London bank that really understands Eastern Europe

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## Veather

U.K. TO-DAY SHOWERS at first, but becoming with showers. Winds S. Max. a job, you would go out and it showers. dry and brighter. London, S.E. and E. England, E. Anglia, Channel Is.

Dry, cloudy with sunny intervals, Winds S. Max. 16C (61F)

S.W. England, Midlands, S. Wales

Cloudy, occasional rain, becoming brighter and dry. Winds S., Wales, N. England, Lakes, BUSINESS CENTRES

							patches.								
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13C (55F). 1. of Man, S.W. Scotland, High-lands, Argyll, N. Ireland Showers, sunny intervals, Winds S.W. Max. 13C (55F).

uent showers sunny inter-Winds S. or S.W. Max. Ronald Reagan and very con-Frequent showers, sunny inter vals. Winds S. 10-11C (50-52F). Outlook: Showers, sunny

Borders, Edinburgh, Dundee

Scolland. Moray Firth area. Orkney, Shetland

former support on which to

THE STATION MASTER at the President cannot afford to she had expected from the

Flint, Michigan—one train a lose his home State.

President.

day, each way—has a Ph.D. in But there is no doubt that his Then there was the issue that day, each way—has a Ph.D. in psychology, a fact which he lost staff now really fear a disaster he chose to stress at every stop, no time in telling to the hordes in Michigan and if he should The economy, he said, is on the of reporters who descended on lose the State—or even win by mend, inflation is down, the his station yesterday to catch only a narrow margin—his camfuture is bright. But it does not President Ford's campaign train, paign for re-election could be seem quite so rosy in Michigan. He cut a slightly unlikely mortally wounded. The whole where unemployment is still figure in the midst of all the day yesterday served to under-almost twice the national average preparations for the departure line the reasons why his camand where the recession has of the Presidential express, paign has run into such trouble, bitten deeper than almost any-hired for the day at a reputed.

To hegin with. Mr. Ford is where else in the country.

Red faced and clearly very angry, Mr. Ford replied: "We it in the right direction. and then unwisely added: " And i you would so out and look for For all the public optimism of

fused about how to regain the Continued from Page 1 upper hand. Even here, after 25 years as a Congressman, Mr. Ford seems not to know what note to hit. If he answers Reagan's criti-

## Statement expected from Bates soon

regime so ash to allow companies to pass of 100 per cent. of invest ment eyes of 100 per cent. of invest pass of 100 per cent.

company's capital structure. It was suggested by the comment between industry and White-necessary, of course, if the company loads would have to be pany, last week, that some ship hall looks like being the pany wanted to secure an immessyndicated, but there was also should be allowed the option of the companies syndicated.

**Devolution threat** 

If he answers Reagan's criticisms he legitimises them, but if he ignores them, as he tried to yesterday, he risks leaving Reagan to win his case by default and as a non-elected President, he has no reservoir of former support on which to

former support on which to draw.

Mr. Ford chose to use a train consciously to echo the successful whistle-stop campaign of President Truman, also an unelected President who came from behind to win in 1948. But, according to one reporter who covered that Truman trip in 1948, the echo is a very faint one and Mr. Ford has none of the late President's capacity to fire who are the Unionist as malevolent intent. It can be late President's capacity to fire a crowd.

"But let me make this crystal that view.

"But we must not imagine thanks to a 10 per cent, subscriptions surcharge introduced last that the establishment of an October.

Costs are still straining income, that the Union is more likely to is of less consequence than the year. The finance committee is now looking at the whole to govern. Any machine can be likely to recommend a substant designed with an honourable or an according to the whole query for less used well or ill. It can be likely to recommend a substant designed with an honourable or a fial rise in subscriptions following a crowd.